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CIS: ITAR-TASS Carries Press Review for 18 Jul

LD1807062896 Moscow ITAR-TASS in English 0620 GMT 18 Jul 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW July 18 (Itar-Tass) — Follows a review of Thursday's Moscow-based Russian newspapers dated July 18.

ROSSIYSKIYE VESTI on CPRF intentions to press for an early presidential election.

The newspaper carries an interview with Sergey Shakhray, member of the State Duma, who stated that "the Communist Party of the Russian Federation (CPRF) intends, through the efforts of the State Duma and with the backing of the party's regional structures, to frustrate the realisaiton of the President's pre-poll promises, to precipitate a socio-economic crisis in the autumn of 1996 so as to organise a campaign in spring 1997 for a pre-term presidential election".

IZVESTIYA on the situation of Chechnya.

The newspaper's special correspondent Valeriy Yakov, in a dispatch from Chechen villages "cleared from militants", expresses the view that thereby Federal forces carried out "special operations against peace in Chechnya".

The correpsondent seeks to prove that 13 killed Chechen civilians in Groznyy's suburb were shot to death by Federal soldiers. Following the "clearing" operations and the killings, "one can hardly expect that Security Council Secretary Aleksandr Lebed will fly into Chechnya with peace and that punitive operations will be terminated," Yakov writes.

IZVESTIYA on conflict between Russian ministries of the Defence Industry and Defence over U.S request.

The newspaper's analyst Viktor Litovkin reports that a conflict is flaring up between the Russian Ministry of the Defence Industry and the Ministry of Defence over a U.S. insistent request for the sale of a super-modern anti-ship missile Mosquitto to it. The missile is notable for a unique destructive potential and is particularly effective against aircraft carriers. Navymen firmly oppose the idea of selling the missile, whereas the missile makers are in favour of granting the request because this would enable them to survive financially.

ROSSIYSKAYA GAZETA on energy crisis in Komi and Maritime Territory.

A critical situation has developed in the power supply in the Republic of Komi and Maritime Territory. The Far East power producers have not received 1,500,000 million roubles from power users, while those in Komi experienced a default of payment of more than 1,000,000 million roubles, the newspaper writes.

Igor Maximov, the newspaper's commentator, analysing the energy situation, arrives at the following conclusion: this is one of manifestations of an economic crisis and, first of all, in the financial sphere. Without settling it, one can hardly expect positive changes, he points out.

TRUD on the same subject.

The newspaper notes that "the price of the generation of one kilowatt of power in Maritime Territory is much higher than in the country as a whole. The price is made up of high railway tariffs for the transportation of the raw stock and immense prices of electric power supplied to beyond the Territory".

PRAVDA on the military industrrial sector.

"In our view, the military industrial sector is the greatest asset of the State. The main task of reforms is to use it rationally," the newspaper observes.

"The Ministry of the Nuclear Energy alone has fostered 30,000 Doctors and Candidates of Science, who invariably engaged in effective efforts to turn out products, which are up to world standards, in the field of nuclear technologies.

"Therefore, Russia'a overall lagging behind from the technological point of view is out of the question. Moreover, consdering that the country's population accounts for less than three per cent of the world one and that the national military industrial sector, possibly, potentially still remains the largest military industrial complex in the world, it can be concluded that we still rank the first in the world in per capita share of advanced technologies," PRAVDA points out.

Baltics: 'Baltic Challenge' Exercises Hailed as Success

WS1807091096 Tallinn BNS in English 1846 GMT 17 Jul 96

[FBIS Transcribed Text] Tallinn, Jul 17, BNS — The biggest land exercise in the Baltic states since they regained independence in 1991 was a great success, the BaltBat commander said.

The training went very well, Maj. Alar Laneman told BNS. "The troops distinguished themselves by excellent morale and good learning capability," he added.

The Baltic Challenge exercise, which took place in the Latvian training base of Adazi, for the first time saw U.S. troops train alongside soldiers from the three Baltic states.

Estonian participants included besides peacekeepers a group of trainee officers and a platoon of the paramilitary Defense League. "Those units too put up a good show," Laneman said. "The men were full of snap and eager to learn."

The Baltic Challenge focused on peacekeeping techniques, with drills in manning observation and checkpoints, patrolling and medical tasks, the BaltBat commander said.

All in all, about 700 men took place in the training, among them 300 marines and National Guard troops from the United States, Laneman said.

U.S. Ambassador to Latvia Larry Napper told reporters American troops would take part in next year's Baltic Challenge as well.

Russia: Gore Ends Visit With Reception

LD1607203496 Moscow ITAR-TASS World Service in Russian 1950 GMT 16 Jul 96

[By ITAR-TASS diplomatic correspondent Andrey Shitov]

[FBIS Translated Text] Moscow, 16 Jul — U.S. Vice President Albert Gore tonight ended his visit to Russia with a reception in the Spaso-House residency of the U.S. ambassador. He was in Moscow in connection with the seventh session of the Russian-American intergovernmental commission on economic and technical cooperation, also known as the Gore-Chernomyrdin commission.

"I wish to assure you on behalf of President Clinton and the American people that my country is interested in being a good friend to Russia," said Albert Gore, addressing the reception. "Every time in history when the opportunity has been given us to work hand in hand we have done good and glorious things. The American people hope and believe that our friendship with the Russian people will grow deeper and assume the form of firm partnership. I feel that Russians share these sentiments. The job of our commission is to create the practical conditions for firm partnership."

Russian government chairman Viktor Chernomyrdin supported this high appraisal of the commission's work and stressed: "We are confident now as never before that we are on the right road." He assessed the Russian presidential result as "another advance", given by the people to the government and gave his assurance that he will do everything to guarantee a worthy life to all Russians.

The speeches testified to the great personal feeling between the Russian premier and the U.S. Vice President. V. Chernomyrdin referred to the mutual understanding that has developed as one of the most significant results of the commission's work. "I am proud of my friendship with Viktor Stepanovich. I can sincerely admit that I have learnt a lot from him," Albert Gore said.

The Vice President's speech sounded yet another deeply personal note: His present visit to Moscow has given him particular pleasure since he was accompanied by his wife and three children.

The next session of the Gore-Chernomyrdin commission, according to tradition, will be held in six months in the United States.

Russia: Chernomyrdin Hails 'New Partnership' With U.S.

LD1607141296 Moscow ITAR-TASS in English 1357 GMT 16 Jul 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, July 16 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin today said an era of new partnership is beginning in relations between Russia and the United States signalled by a joint message addressed by Bill Clinton and Boris Yeltsin to the Russian-American commission for economic and technological cooperation, commonly known as the Gore-Chernomyrdin commission.

The Russian Prime Minister was speaking at today's business lunch attended by representatives of the Russian and American business communities on the occasion of the Commission's seventh meeting in Moscow.

The message from the two heads of state read out by Viktor Chernomyrdin noted in particular that "an extremely favourable situation was emerging for the acceleration of the growth rate and the deepening of economic cooperation between Russia and the United States" after the Russians voted overwhelmingly for democracy, stability and reforms in the presidential elections.

As for the U.S. part, the American businesses are ready to take part in economic reforms in Russia, the message said. It is important to make full use of the opportunity offering itself a present in order to lay down a solid economic groundwork for equitable and mutually beneficial partnership between Russia and the United States, the message stressed.

As concerns Russia, its government intends to attract foreign investments and promptly resolve problems which American and other foreign partners encounter in Russia, the message emphasized.

"Russia's main priority in this respect is an increase in direct private investments from the United States and the governments of the two countries will work in conjunction to encourage the flow of such investments," the message said.

It also said that the U.S. administration will support American investments in Russia by providing guarantees and requisite assistance.

The Presidents of the United States and Russia expect the joint Russian-American commission to come up with new proposals for encouraging and supporting investments, opening new markets, compliance with laws, cooperation in the field of high technologies and

Russia's full integration in the international economic and trade structures.

Boris Yeltsin and Bill Clinton wished the businessmen from both countries success in their responsible work.

Russia: Successes, 'Unresolved Problems' Facing Gore Panel

MM1707111796 Moscow FINANSOVYYE IZVESTIYA in Russian 16 Jul 96 p i

[Report by Aleksey Portanskiy: "Gore-Chernomyrdin Commission May Boost Inward Investment to Russia"]

[FBIS Translated Text] The seventh session of the Russo-U.S. Commission for Economic and Technological Cooperation chaired by Russian Prime Minister Viktor Chernomyrdin and U.S. Vice President Al Gore is being held in Moscow 15-16 July.

The continuation of economic reform in Russia (following Boris Yeltsin's presidential election victory), the prospects for NATO expansion, and the situation in Chechnya are the main points on the agenda for the current meeting, along with routine issues of bilateral cooperation.

The Gore-Chernomyrdin Commission was set up in 1993 in accordance with a decision reached at the Russo-American summit in Vancouver, and since then has met twice a year, alternating its sessions between the two countries. Initially its purview covered power generation, space, and advanced technology, but now it is considerably broader.

Among the more than 100 documents signed by the two sides we can pick out the agreement on Russian access to international commercial rocket launch markets, the memorandum on cooperation in the conversion sphere, the agreement on the closure of reactors producing plutonium, and others.

The weightiest result of the previous commission sessions was the signing of an agreement on the "Sakhalin-1" project, which envisages $15 billion of investment being made in Russia. An important achievement of the commission was the agreement in 1995 of the issue of Russia's participation as a founder country in the new post-COCOM [Coordinating Committee for Multilateral Export Controls] international organization for export controls (the Wassenaar Arrangement), as well as Russia's admission to the international Missile Technology Control Regime (MTCR).

But the commission has far more unsolved problems than it has actual successes. Further work will have to be done to implement the 1994 agreement on the sale to the United States of Russian weapons-grade uranium, under which Moscow reckons to earn $12 billion over 20 years. U.S. legislation from the cold war era still contains a number of restrictions on Russia — not least the well-known discriminatory Jackson-Vanik Amendment. Moscow will have to get its Western partners' recognition that Russia is a country with a market economy.

Russia is prepared to throw its home open to its American partners for large-scale business cooperation, and is by no means a supplicant, Russian Vice Premier Oleg Davydov told INTERFAX last Friday in connection with the start of the Gore-Chernomyrdin Commission's work. The commission's main task, in Davydov's words, is to solve at intergovernmental level the key issues of trade and economic links between the two countries.

The vice premier recalled that "solutions to many problems have been found" thanks to this body. In 1995 it was possible to halt the decline in trade and later increase trade turnover between the two countries compared with 1994 — reaching $7 billion.

Russia, as is well known, is hoping in the very near future for a massive inflow of foreign investment as a result of the stabilization of the political situation in the country following the presidential election. Consequently, investment cooperation is coming to the fore in relations with the United States as well. It would be highly desirable to see a doubling of U.S. investment in Russia, Oleg Davydov noted.

Russia: Mikhaylov on U.S. Nonmention of Russia-Iran Nuclear Deal

LD1707113096 Moscow ITAR-TASS in English 1113 GMT 17 Jul 96

[By Andrey Chitov]

[FBIS Transcribed Text] MOSCOW July 17 (Itar-Tass) — The delegation of US Vice-President Albert Gore, who discussed economic cooperation with Russia for two days in Moscow, did not raise the painful issue of the Russian-Iranian deal on the construction of a nuclear power plant in Bushehr and the Russian Atomic Energy minister [Viktor Mikhaylov] believes there was no reason to return to the issue.

"Why should it be raised? They know my position, it is definite: we shall cooperate (with Iran). We built, are building and will build power plants", Viktor Mikhaylov told Tass on Wednesday.

Washington criticised the Russian deal with Iran saying it could help Tehran develop nuclear weapon technologies. Russia denied such a possibility.

Mikhaylov said he had proposed to create a joint Russian-US nuclear commission which would solve all disputable issues in a complex.

"Atomic power engineering is not ordinary power production in which fuel oil or gas are used. It includes issues of non-proliferation, protection of nuclear materials. Criteria for tomorrow are to be designed. It is to be decided how we shall cooperate in that sphere. Either each side will have its own closed industry — and we shall not solve the non-proliferation issues, or we shall join efforts. Atomic power engineering needs a system organised on the world scale", the minister said.

He added that there had been no response from the United States so far.

Russia: Presidential Staff Paper on Gore Visit, Yeltsin Meeting

MM1707161196 Moscow ROSSIYSKIYE VESTI in Russian 17 Jul 96 p 1

[Report by Yuriy Popov: Chernomyrdin-Gore Commission Works To Counter Skeptics"]

[FBIS Translated Text] "Right now it can be said," our premier stated on the first day of the Chernomyrdin-Gore Commission's work, "that the commission's seventh session will occupy a special place." Despite the forecasts of skeptics, this assessment that the session's results would be salutary was fully confirmed by the progress of the talks which took place in Moscow Monday [15 July] and yesterday.

Talking about them as briefly as possible, the following picture emerges. An agreement on projects within the framework of creating the Alpha international space station was signed, and questions on the following topics were discussed: completion of the preparation of the project to send space research vehicles to the Sun and Pluto; joint research in the sphere of developing a new supersonic passenger transport aircraft; and maintaining the safe status of nuclear weapons in both countries.

The most important problem is the influx of foreign investment into Russia. Apparently that too is being tackled positively by the U.S. side. According to its representatives, the United States intends to signal U.S. companies that the reforms in Russia are continuing, the political risk is minimal, and stability in the country is ensured. "President Bill Clinton," Al Gore said, "intends to personally facilitate the flow of foreign investment into the Russian economy."

The meeting between President Boris Yeltsin and Al Gore was of great importance to the positive results of the session's work.

Yesterday President Yeltsin received Al Gore at the "Barvikha" sanatorium near Moscow. The vice president congratulated Boris Yeltsin on his election victory and recounted the main results of the latest session of the Gore-Chernomyrdin Commission.

For his part Boris Yeltsin dwelt on the biggest questions in Russian-U.S. relations — strategic offensive weapons and ABM defense, preparation of the Comprehensive Nuclear Test Ban Treaty, and attracting U.S. investment into the Russian economy. It was noted that work in these areas must be speeded up.

Yesterday evening the commission session completed its sittings, after which a package of joint documents was signed and a news conference was held by Viktor Chernomyrdin and Al Gore.

Russia: Yeltsin 'Not Entirely Pleased' With Report of Gore Meeting

MM1707161896 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Jul 96 p 3

[Letter from I. Ignatyev, leader of the Russian Federation president's press service: "President Is In Good Physical Shape...."]

[FBIS Translated Text] 17 July 1996 — Yesterday the Russian president read the commentary published in KOMSOMOLSKAYA PRAVDA 17 July under the heading "Gore Nonetheless Found Yeltsin in Barvikha" devoted to Yeltsin's meeting with U.S. Vice President Albert Gore which attested that Boris Nikolayevich is not only vacationing but also continuing to work in his residence outside the city. According to representatives of the head of state's press service who telephoned the editorial office the president was not entirely pleased with the tone of the item. The leader of the press service, Igor Ignatyev, sent the editorial office the following letter:

"The Russian Federation president's press service draws the attention of the newspaper editorial office to the fact that some of the facts set forth in the commentary "Gore Nonetheless Found Yeltsin in Barvikha" published 17 July do not accord with reality.

"Contrary to the assertions of the item's author, U.S. Vice President A. Gore had been informed for about 24 hours through diplomatic channels of the possibility that his meeting with the Russian Federation president might be deferred. Government Chairman V.S. Chernomyrdin personally told A. Gore of the Russian president's decision to switch the meeting to the following day an hour before the appointed time.

"As the official announcement from the Russian Federation president's press service stated, the conversation did indeed touch on the events in Chechnya and problems of a Bosnian settlement but the main topic was nonetheless questions of Russian-American relations including economic and scientific and technical cooperation, and also disarmament problems.

"As for the author's assessment of the president's state of health, it was refuted by none other than A. Gore himself, who told journalists after the meeting with B.N. Yeltsin, which lasted three times longer than initially planned, that the president is in good physical shape. The journalists from AP, TASS, the newspaper USA TODAY, and Russian television who were present at the meeting could also convince themselves of this. But for some reason for his comment the author preferred to use the REUTER reports covering the question in a different light.

"I hope that in the future the newspaper will double-check from various sources, including official sources, the information published in its pages.

"[Signed] I. Ignatyev, leader of the Russian Federation president's press service."

From the Editorial Office:

For the sake of clarity let us specify that the author of the comment, Stanislav Kucher, used information received personally from U.S. diplomats accompanying Gore. Incidentally, this information was used by other mass media, including world agencies.

We quote REUTER: "Members of Gore's team and representatives of the U.S. Embassy and journalists were already in the Kremlin when the meeting scheduled for Monday was canceled less than half an hour before the planned time." That information was confirmed to the author by other foreign journalists and Russian journalists.

We shall not argue about the president's health — it is more evident in the Kremlin.

[Signed] The KOMSOMOLSKAYA PRAVDA international life section.

Russia: Foreign Ministry Regrets U.S. Press Leak on ABM Treaty

*LD1707122696 Moscow INTERFAX in English
1154 GMT 17 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 17 (Interfax) — The Russian Foreign Ministry expressed regret over publication of a letter from Russian Foreign Minister Yevgeniy Primakov to U.S. Secretary of State Warren Christopher on modernization of the Soviet-American Anti-Ballistic Missile [ABM] Treaty leaked to the Washington Times, Russian Foreign Ministry Spokesman Grigoriy Karasin told Interfax Wednesday.

According to the Washington Times, Primakov, in particular, proposes to limit dimensions of targets for ballistic missiles with a velocity from five kilometers a second and higher and with a range of 3.5 kilometers during testing of anti-ABM systems; to fix repeated utilization of reusable engines on targets for ballistic missiles and reentry vehicles for targets of strategic ballistic missiles; and to ban space-based non-strategic anti-ABM interceptors.

Earlier Primakov repeatedly declared that it is necessary to draw a line between strategic and tactical air defense systems (air defense of the country and air defense of theater of war in line with the military terminology).

Russia cannot agree to deployment of the country's air defense system because it would contradict the ABM Treaty, Primakov said.

"One can only regret that information not intended for press appears in mass media," Karasin said.

However, he said that he agreed to the estimates on the fact of publication of confidential information made by his American counterpart, official representative of the U.S. State Department Nicholas Burns. The latter complained that somebody in the American government with access to secret information from time to time leaks it.

The Russian Foreign Ministry does not comment on issues which are being discussed with the United States and other countries via closed diplomatic channels, Karasin said.

Russia: Designers Dismiss Fears Over Missile Sale

*MM1707153596 Moscow KRASNAYA ZVEZDA
in Russian 13 Jul 96 p 4*

[Article by Dmitriy Litovkin under "Military-Technical Cooperation" rubric: "'Sunburn' for the U.S. Navy, or Why Russia Is Nonetheless Trying To Sell a Supersonic Cruise Missile to the West" — from the 'Russia's Fleet' section]

[FBIS Translated Text] It is not long at all since the formerly top-secret Russian supersonic cruise missile known in the West as Sunburn and in our country as Moskit or, as is customary in design bureaus, as the 3M-80E shipboard missile weapon system was first exhibited at the air shows in Chile, in Abu Dhabi (United Arab Emirates), and then at Zhukovskiy in Moscow Oblast. At the time this event had the effect of a bombshell. Foreigners were staggered by the might of this weapon and by the possibilities of its application, while we were astounded by the fact of excessive openness in the sphere of the clear priorities of our defense capability. And now a new shock. It has been decided to sell the Moskit to the Americans....

A duel whose results until recently could only be debated by comparing the tactical and technical parameters of our missile and of foreign missiles could take place. The decision over this question was long and agonizing. The contract's opponents, who include naval seamen, cited as their chief argument the absurdity of handing over our fleet's best weapon to a recent likely enemy to improve his defense systems, thereby depriving the Russian fleet of combat superiority in possible naval conflicts.

The contract's supporters are represented by defense enterprises — the "Raduga" Machine-Building Design Bureau and the "Altair" State Science and Production Association — and also by enterprises whose shops manufacture missiles and elements of the system. Their chief argument in favor of the sale is that "delay is tantamount to death," for the money made on the deal will "extricate" them from debt traps, rescue workers and creative collectives, and load production capacities.

Igor Sergeyevich Seleznev, general designer at the "Raduga" Machine-Building Design Bureau, under whose leadership the Moskit was created, told me that this is the only missile in the world with a low-altitude flight velocity of 2,800 km per hour. The enemy can detect its flight only three or four seconds before it reaches the target — which is nowhere near enough to make an antimissile maneuver or to take any other emergency measures in self-defense. At the same time he will have to guide his antiaircraft missiles under conditions where the 3M-80E missile performs intensive maneuvers to evade antiaircraft fire with g-forces in excess of 10 g. The enemy will be simply unable to fire on or hit the Moskit by means of a second launched missile.

According to specialists, the Moskit is superior to all the antiship missiles that exist today, including the Harpoon and Exocet, in terms of its specifications and performance characteristics. It is in the arsenal of our Molniya-class light combatant craft, Sivuch-class air-cushion vehicles, and Sovremennyy- class destroyers. The possibility of using these missiles in coast guard and naval air units is being examined. At the first aerospace exhibition in Zhukovskiy, Moscow Oblast, it was slung beneath an Su- 27K ship-based fighter, admittedly with no indication of its name or any specifications and performance characteristics. Specialists needed no more information than the very fact of this weapon's proximity and its possible carrier.

And yet what is most important in the Moskit's combat potential is not only the tremendous speed at which it approaches the target (for comparison, it is possible to say that the most modern French Exocet missile flies four times more slowly) and not only its low flight altitude above the sea, with the result that it is hard to detect with radar, but also the unpredictable maneuvers which it makes on approaching a ship.

It is also important that, owing to the tremendous kinetic energy of this flight and its strong casing, it can penetrate the hull of any ship and explode inside it. Such a strike is capable of sinking not only a medium-class warship but even a cruiser. Some 15-17 Moskits are capable of destroying a ship group.

More than 30 inventions were employed in the system and were used subsequently in the creation of other missiles. The missile developed by the "Raduga" Machine-Building Design Bureau, for example, combines a ramjet cruise engine with a booster engine for the first time in keeping with the "nesting" principle. During the first seconds after launch it enables the missile to make a steep climb. Then the booster cuts out, and the incoming airflow ejects it from the cruise engine. The missile speeds toward the target, charting an intricate "snake" above the water. This has improved the missile's compactness — which has made it possible to install more of them on various ships and other carriers.

It would, incidentally, be possible to say a lot about the Moskit's merits. This weapon, for example, is capable not only of countering sources of interference which might be set up by enemy systems but also of being guided onto them after receiving the signal to counteract them. This was described to me in detail by the chief designer of the missile control system — Sergey Klimov, leader of the "Altair" State Science and Production Association. According to the designer, the missile's active-passive head ensures guidance to the target both from the radar reply and from the radiation of the radar stations located on the ship being attacked, or else it uses for guidance information from two different channels at once, which operate in different wavelength bands. All this ensures the missile's high survivability, protection against jamming, and effectiveness.

So I do not think there is any need for further explanations as to why Western specialists show such heightened interest in the 3M- 80E Russian antiship supersonic system. They estimate that this system is 10 years in advance of all world developments. It gives rise to a quite warranted desire to have antimissile systems that are capable of countering the Russian "wonder."

But Igor Seleznev and Sergey Klimov are not very worried that the Americans will be able to make a weapon capable of defending their ships against the Moskit or to copy the machine's design in their new antiship system. In the designers' opinion, there is no great danger here. The thrifty Americans will hardly want to copy our hardware, particularly as in the past they had already done work similar to ours, although it never went into series production. Proceeding exclusively from economic and technological realities, it still pays our partners to buy the Moskit rather than to create new hardware, which will take masses of time and money.

The potential of the "Raduga" Machine-Building Design Bureau can be judged from the hypersonic experimental cruise missile with a ramjet engine created in the early nineties. In the West it is called the AS-19 Koala and is capable of developing speeds five times greater than the speed of sound. At present it has no analogues in the world. So the sale of the Moskit to the Americans is a move aimed at resolving questions that are no less important strategically for the country's defense capability, chief among which is the underfunding of work done by the military-industrial complex. It is being done to ensure that we have a future. So we must choose today: either further progress or a real threat of technical laggardness and loss of the opportunity to produce such hardware at all.

Russia: IMF Satisfied With Russia's Anti-Inflation Performance

LD1707120396 Moscow ITAR-TASS in English 1141 GMT 17 Jul 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW July 17 (Itar-Tass) — The International Monetary Fund (IMF) is satisfied with the Russian performance regarding inflation and budget deficit and hopes the government will also cope with the general stabilisation programme.

IMF deputy managing director Stanley Fischer said on Wednesday after meeting Russian prime Minister Viktor Chernomydin that the IMF recommendations regarding inflation and the deficit had been fulfilled "at a very good level" in the first six months of 1996.

However, he said that the IMF-agreed stabilisation programme "is a much more complicated issue".

Fischer said the experience of other countries showed that it was much more difficult to reach desirable macroeconomic indicators while reforming the economy.

Still he expressed conviction that "the current Russian government will successfully cope with the tasks fixed in the IMF-agreed economic stabilisation programme for Russia".

Fischer said he had "a very good dialogue" with Chernomyrdin about the results of the first six months and prospects for the end of 1996.

He quoted Chernomyrdin as saying that a government member will control tax collection in the country.

Russia: Italian Foreign Minister Promotes Investment in Russia

LD1707110696 Rome RAI Radio Uno Network in Italian 0600 GMT 17 Jul 96

[FBIS Translated Excerpt] Russian President Boris Yeltsin's health is shrouded in mystery. He met American Vice-President Al Gore at his clinic, but did not meet the Italian foreign minister, Lamberto Dini, who is visiting the Russian capital. Lucio Gambacorte reports:

[Begin recording][Gambacorte] [passage omitted] Yeltsin will not, however, be meeting Lamberto Dini, who has altered his itinerary to meet Vice-Premier Vladimir Kadannikov and Foreign Minister Yevgeniy Primakov. Following Yeltsin's reelection, Italy has reconfirmed its faith in Russia's stability, and is hurrying to boost investment, including that by major industries:

[Dini] There are major projects being prepared, which necessarily demand stable conditions, for example in the aerospace industry. Both aeroplanes and helicopters are being developed together with a Russian company. There is significant investment also in the field of consumer durables. [end recording]

Russia: Moscow Asks Turkey Not To Grant Refuge to Chechen Fighters

LD1807091796 Moscow INTERFAX in English 0907 GMT 18 Jul 96

[FBIS Transcribed Text] MOSCOW, July 18 (Interfax) — Russian Prime Minister Viktor Chernomyrdin met with a delegation of Turkish parliamentarians in Moscow Thursday and expressed the wish that Chechen separatists should not find refuge in Turkey.

The Russian government is convinced, Chernomyrdin said, that Turkey's official authorities are undertaking and will undertake all measures to prevent the immigration of fighters into Turkey from Chechnya.

He said that "third forces" are trying to organize a refuge for Chechen separatist fighters in Turkey.

Chernomyrdin backed the position of the Turkish leadership, which views the Chechen conflict as Russia's internal affair and reaffirmed that Moscow also respects Turkey's territorial integrity.

Chairman of Turkey's National Assembly Mustafa Kalemli, at the head of the Turkish parliamentary delegation, said that conflict may appear in any country from time to time and confirmed that Turkey regards the Chechen crisis as Russia's internal problem.

Those at the meeting also discussed navigation in the Black Sea straits. Both parties confirmed their adherence to a corresponding convention of 1936. At the same time, Kalemli said that his country is preparing several new instructions on navigation in the straits due to the appearance of high-tonnage ships.

Russia: Primakov Says Karadzic Arrest May Endanger Bosnia Elections

LD1707135096 Moscow ITAR-TASS in English 1342 GMT 17 Jul 96

[By Aleksandr Valiyev and Tatyana Selivanova]

[FBIS Transcribed Text] MOSCOW, July 17 (Itar-Tass) — Russian Foreign Minister Yevgeniy Primakov confirmed Moscow's position that an arrest of Bosnian Serb leader Radovan Karadzic and his extradition to the International Tribunal in The Hague may endanger the upcoming elections in Bosnia-Herzegovina scheduled for September 14.

Speaking at a joint press conference with his Danish counterpart Niels Helveg Petersen in Moscow on Wednesday, Primakov said elections on September 14 are one of the key provisions of the Dayton peace agreements.

Russia has supported Karadzic's decision to step down as the president of the Serb Republic, but his arrest may endanger elections, he said.

Primakov also said that the work of the International Tribunal has been excessively politicised and is not properly balanced in all areas.

Russia: Primakov: Russia 'Categorically Opposes' Baltics in NATO

LD1707144796 Moscow INTERFAX in English 1429 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (Interfax) — Russia categorically opposes the Baltic states' entering NATO, Russian Foreign Minister Yevgeniy Primakov told a press conference on the results of his meeting with Danish Foreign Minister Niels Helveg Petersen in Moscow Wednesday.

Petersen said there was no agreement between Copenhagen and Moscow on NATO expansion and added that the parties have exchanged opinions on this subject, but they do not coincide.

As far as the Baltic states are concerned, Petersen said, they should be granted the same opportunities for participation in the creation of European security as others.

During the talks, Primakov called on Petersen "to influence Estonia so that it would observe the rights of the Russian-speaking population." Primakov said he "was satisfied with the answer to this appeal."

Speaking about the Chechen problem, Primakov said that "as before, Moscow pins its hopes on negotiations but it intends to repulse the tricks of extremists." He said he had informed Petersen of this.

Petersen called on both parties to the Chechen conflict to create a settlement by peaceful means.

Russia: Ukraine Backtracks on Fleet Basing Agreement

MM1807084796 Moscow KRASNAYA ZVEZDA in Russian 13 Jul 96 p 3

[Article by Rear Admiral Aleksandr Grinko, deputy chief of staff of Black Sea Fleet, under "Viewpoint" rubric: "Russia's City of Fleet Glory Is Not Divided in Two"]

[FBIS Translated Text] Political passions over the Black Sea Fleet and the problem of its division between Russia and Ukraine have been running high for over four years. Many questions have now been resolved to the sides' mutual satisfaction. But the main, fundamental question, on which the future fate of the Russian Black Sea Fleet depends, has not yet been resolved — it is the question of Sevastopol as the main base of the Russian Federation Black Sea Fleet and of separate basing for the Black Sea Fleet and the Ukrainian Navy. Now that Ukraine has at last acquired its own fundamental law — the constitution, which does not hamper the stationing of Russian seamen on the breakaway land of their forefathers who brought glory to the fleet — all the preconditions exist for the resolution of this problem too. It would take only good will on the part of the Russians' partners in these talks.

The Sochi agreement of 9 June 1995, signed by the presidents of Russia and Ukraine, states: "The Russian Federation Black Sea Fleet and the Ukraine's naval forces are based separately" (Article 1) and "the main base of the Russian Federation Black Sea Fleet, incorporating the Russian Federation Black Sea Fleet Staff, is in the city of Sevastopol" (Article 2). In preparing and signing that agreement, both sides understood perfectly what it meant and were aware of the impossibility of joint basing of the fleets of two countries, even friendly countries, at one base. But less than a year later the

Ukrainian political leadership was once again dissociating itself from that agreement and insisting on joint basing of the Ukrainian Navy and the Black Sea Fleet in Sevastopol's bays and on the basing of its own forces in Streletskaya and Karantinnaya Bays, thereby canceling out everything that had been done to date with great difficulty.

There are no more convenient, deep, sheltered, and extensive bays in the whole of the Black Sea than Sevastopol's. Their advantages are obvious from all viewpoints: geopolitical, geostrategic, operational, and tactical. During the years of the Soviet Union's existence a wharf frontage over 10 km long was built, a developed system of basing, management, defense, operational and combat support, and ship repair facilities was created, and the deployment of forces from the base was organized. As the main base, Sevastopol was framed by a system of defense and protection against strikes from the air, from under the water, from the sea, and from the land, and a system of identification and issuing of target designation and a steady and reliable system of navigational, hydrometeorological, and rear support were worked out. Thanks to this, the forces of the Black Sea Fleet are capable of controlling all the main areas of deployment and operation of likely enemy forces and, above all, the exits from the Strait of Bosporus and the western and central sections of the Black Sea, thereby ensuring the defense of Russia's southern borders. These actions by Black Sea Fleet sailors also help to guard the coast of Ukraine.

Thus, mindful of the geographic location, the optimum, developed system for basing the forces of the Black Sea Fleet was created in the main base — Sevastopol — and it includes Yuzhnaya, Severnaya, Karantinnaya, and Streletskaya Bays as a single whole. This system also included Balaklavskaya Bay until its transfer to the Ukrainian Navy.

Karantinnaya and Streletskaya Bays play a special role here. The possibility of basing the fleet's forces in them ensures one of the main problems of the dispersed basing of ships at the main base — which rules out their congestion and improves stability and survivability at times of threat, as well as reducing the number of ships in Sevastopolskaya Bay, which is subject to the very strong effects at times of a squally northwest wind.

Offshore defense ships and auxiliary ships based in Streletskaya Bay have freedom to maneuver and are close to areas of operations, channels, and combat training ranges - - which creates conditions for freedom of access to destination areas without impeding the actions of the fleet's main forces and makes it possible effectively to ensure antisubmarine, antimine, and antisabotage security in the area of the main base. In addition, the presence of light missile forces outside Sevastopolskaya Bay and in direct proximity to its outlet creates conditions for the rapid deployment of a brigade of small naval combatants to threatened areas.

To this it can also be added that a developed infrastructure has been created in Streletskaya and Karantinnaya Bays, enabling the combined units of ships based in them to function absolutely autonomously. At the same time a comprehensive system for the management of search and rescue work and a developed communications system ensuring coverage of the whole area of a possible theater of military operations were created in Streletskaya Bay, where the search and rescue forces are based. All this can be used successfully for the management of all the Black Sea Fleet's forces and become a reserve management system.

Taking all this into account, it is possible to draw just one conclusion: The removal of just one of these two bays from the Black Sea Fleet basing system would upset the integrity of the basing system. If one of the bays were handed over to the Ukrainian Navy, the principle of separate basing for the two fleets would be violated.

Russia now has nowhere else to station its fleet's main forces in the Black Sea, except in Sevastopol. It would take decades to create new modern basing centers and expenditure of many billions, which all the same would not compensate for the loss of the advantages of Sevastopol and its bays. But the young Ukrainian Navy has somewhere to base itself. There are the bases at Donuzlav, Kerch, Odessa, Chernomorskoye, and Izmail, where the appropriate infrastructure was also created in the Soviet period and where there is scope for further improvement of the whole basing system.

Separate basing for the fleets is not someone's whim but an objective necessity. There has been and is no precedent in world practice for the joint stationing of two states' naval forces at the same basing point. Objective reality is such that every fleet, as a functional combat unit, lives according to its own special laws, without which it cannot fulfill the tasks facing it.

For example, if there is a need for an emergency departure and dispersal of the fleet's ships at sea, the question at once arises: According to whose plans will this happen, who will control them, and which of the commanders will have more powers? There must be centralized management in a naval base (something that the Ukrainian side is very opposed to), otherwise there will be a sharp drop in the effectiveness of resolving the tasks facing the fleets.

The entire infrastructure of the main base must be in the same hands for the efficient and timely resolution of questions of ensuring the fleets' forces. But even if a consensus is found in the joint use of the infrastructure, where is the guarantee that it will be fulfilled? If agreements signed by the two presidents are not fulfilled, will agreements at a lower level be fulfilled?

In this situation the problem of the regime for using the area of water adjacent to the main base also arises. If it is granted the status of Ukrainian territorial waters, then great difficulties will inevitably arise in its practical use by Black Sea Fleet forces. With joint basing it will be necessary to mark out deviation and special areas, measuring lines, and areas of dispersal and deployment on the area of water for each fleet, and this will hamper the maneuvering of forces, disrupt their camouflage, destroy the system of hydroacoustic observation and detection of the enemy, and give rise to masses of other complications in management. These are just some of the problems, maybe not the most vivid problems, which will inevitably arise with joint basing of the two states' fleets. Therefore it is expedient now, at the start of the matter, not to create problems that can be predicted in advance, so as not to waste time and effort on resolving them later.

Russia: Gazprom Team in Kiev for Talks With Kuchma

MK1707131096 Moscow NEZAVISIMAYA GAZETA in Russian 17 Jul 96 p 3

[Unattributed report]

[FBIS Translated Text] A Gazprom Russian Joint-Stock Company [RAO] delegation led by the RAO board chairman, Mr. Vyakhirev, is in Kiev. The RAO Gazprom office in Ukraine reports that the objective of the delegation's visit is unknown.

On Monday [15 July] the Russian gas people were received by republic president Leonid Kuchma and Prime Minister Pavlo Lazarenko. The presidential press service advised that implementation of the program of gas supplies to Ukraine, and the state of the settlements for them, as well as the prospects of a deeper bilateral cooperation in this area, were discussed in the course of the meeting. In particular, they discussed ways of improving existing arrangements for the delivery of Russian gas to Ukraine, as well as its transportation across the republic's territory to third countries. Mr. Vyakhirev briefed Leonid Kuchma on further plans to expand the gas production sector in Russia and advocated boosting mutual investment in the gas industry of the two countries.

Russia: Georgian, Russian Interests in Abkhazia Eyed

MM1707134496 Moscow PRAVDA in Russian 16 Jul 96 p 2

[Commentary by Spartak Zhidkov under the rubric "Analysis of the Situation": "The Abkhaz Question in the Russian Context"]

[FBIS Translated Text] "The key to Abkhazia lies in Russia" — many Georgian politicians have been constantly using such phrases in recent years. In so saying they do not tire of reminding their Russian friends about Moscow's "debt" for maintaining Georgia's territorial integrity. But I think that it is also perfectly appropriate to put it another way: "The key to Russia lies in Abkhazia."

The many days of loud debates on the Abkhazia question in the Georgian parliament ended, as is well known, with the adoption of a decree the cornerstone of which was the condition regarding a change in the Russian peacekeeping forces' mandate in Abkhazia within two months "in the light of the Georgian side's demands." Otherwise the Russian Federation troops must leave the conflict zone. Furthermore, the two-month deadline is viewed as the final delay. But a change in the mandate according to the Georgian scenario means the occupation of Abkhazia, which in turn means war, and war in Abkhazia means an explosion in the North Caucasus. The expiry of the two-month deadline for the change in the mandate coincided almost exactly with the date of the Russian presidential election.

Strictly speaking, since the disintegration of the USSR unions have been formed between Russian patriotic movements and the former Georgian autonomous formations — Abkhazia and South Ossetia — and between the Tbilisi hierarchy and the Yeltsinites. Shevardnadze and Yeltsin have taken turns to provide a whole series of services for one another. But since the start of 1996 the search for a closer union between Moscow and Tbilisi has gone beyond the normal framework. In January 1996 Yeltsin made Shevardnadze an extremely generous gift when he officially assumed a personal commitment (or rather imposed a commitment on Russia) to help Georgia take Abkhazia back into its fold, thereby jeopardizing Russia's immediate interests. Shevardnadze paid Yeltsin a no less valuable service two months later when, in response to the Russian State Duma's denunciation of the Belovezhskaya Pushcha accords, he proposed convening an extraordinary meeting of CIS leaders, which was essentially a vague but unconcealed threat to the Duma. Immediately after that the

Russian Navy was almost embroiled in a military clash with the Abkhazians.

The reasons for such a bold policy by Tbilisi lie in the importance of the Abkhazian question for Shevardnadze. There has been such a decline in the Georgian economy recently (and indeed earlier) that there is every reason to believe that a social explosion is possible. Even though Georgia's official authorities do not tire of talking about "achievements," it will soon be impossible to hide the collapse from the outside world. All the enterprises in the republic are still standing idle and the recently adopted land law, which effectively legitimizes the sell-off of Georgian land to foreign capital, has forced even implacable rivals like the Communists and the Zviadists to unite against it. So what can prevent an explosion of popular anger? Someone has evidently decided: only a new wave of nationalism.

In 1992, when living standards fell sharply and economic (and political) chaos ensued after the civil war in Georgia, Shevardnadze managed to "divert the attention" of the people only by launching de-facto wars (with South Ossetia and Abkhazia). At the same time official Tbilisi's propaganda reviled not so much the "separatists" as Russia, the Slavophiles, the Communists, and so forth. In exactly the same way Shevardnadze now hopes to mitigate the approaching economic collapse by a victory over Abkhazia. But, given that the Georgian Army in its present state clearly cannot defeat Abkhazia, Tbilisi is gambling on the use of Russian troops against Abkhazia.

For Georgia victory over Abkhazia via Russian intervention is the best option. The fierce debates in the Georgian parliament preceding the adoption of the decree on Abkhazia 17 April were not evidence of deep contradictions within the Georgian "hierarchy" on the methods of resolving the Abkhazian question. At first glance the national democrat and "Abkhazeti" parliamentary factions entered into a fairly sharp conflict with the parliamentary majority (the "Union of Citizens of Georgia"). The latter demanded a broadening of the mandate (for which read — the occupation of Abkhazia using Russian military units), while their opponents demanded the withdrawal of the Russian peacekeeping forces so as to regain Abkhazia by military means. After the withdrawal of the peacekeeping forces the national democrats proposed devoting two years to the preparation of a campaign against Abkhazia. Perhaps their position toward Russia was more honest?

At the same time most military experts agree that a Georgian Army capable of defeating Abkhazia can be formed only with Russian help, and there is already a written accord on that. Clearly the national democrats' scheme is that after the Russian military have withdrawn from Abkhazia they should spend two years training the Georgian Army for a new war against Russia's ally. Now the "extremist" stance of the National Democratic Party and "Abkhazeti" has enabled the majority in the Georgian parliament to pursue its policy without difficulty. The Georgian parliament's work brings to mind the saying: They're in this together.

But the most distressing thing is that on the Abkhazia question the present Russian Government is far less concerned about Russia's interests than the Georgian Government is about Georgia's interests. Why? Because the reasons which prompted Shevardnadze to go to war with Abkhazia are global, whereas the aims that Yeltsin seems to be pursuing in this crisis are more short-term.

Political Issues

Russia: Yeltsin's Kremlin Inauguration To Take Place 9 Aug

LD1707142996 Moscow INTERFAX in English 1418 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (Interfax) — The inauguration of Russian President Boris Yeltsin will take place on August 9 on the Kremlin's Cathedral Square, where a special rostrum will be erected, State Duma Deputy Speaker Aleksandr Shokhin told journalists Wednesday after a session of the commission in charge of organizing the ceremony of Yeltsin's inauguration.

Yeltsin and leaders of other power branches will take their places on the podium. Yeltsin and Chairman of Russia's Constitutional Court Vladimir Tumanov will be the main figures involved in the ceremony.

Shokhin said that Tumanov will propose that Yeltsin swear the oath of allegiance. Yeltsin will swear the oath by placing his hand on the text of the Russian Constitution. A special copy of the Basic Law will be printed for this purpose. Yeltsin will receive the symbol of presidential power, the Order for Merits to the Fatherland of the first level with a chain, during the inauguration. This order is transferred from president to president.

Members of the State Duma, the Federation Council, and the Constitutional Court will attend the ceremony, Shokhin said.

The commission plans to invite about 3,000 guests. In particular, it will invite heads of CIS member-states, foreign guests and the heads of the diplomatic corps.

There will be no special expenditures for the inauguration ceremony. There will be a festive reception in the Kremlin's Chamber of Facets and a firework display in the evening in Moscow.

Russia: Yeltsin's Consultative Council Names Top Officials

LD1807145696 Moscow INTERFAX in English 1413 GMT 18 Jul 96

[FBIS Transcribed Text] MOSCOW July 18 (Interfax) — The Russian presidential political consultative council at its first session Thursday named its deputy chairmen and the heads of 12 chambers of the council.

Ivan Rybkin, appointed council chairman by President Boris Yeltsin, will have among his deputies Vladimir Zhirinovskiy (Liberal Democrat), Sergey Shakhray (Party of Russian Unity and Accord), Yekaterina Lakhova (Women of Russia), Boris Fedorov (Forward Russia). Three seats were reserved for Our Home is Russia and Yabloko movements and the Communist Party.

At the insistence of Liberal Democrats, their representative Oleg Finko was given the post of the chairman of the information chamber.

The nationalities chamber will be led by the president of the Russian Union of Industrialists and Entrepreneurs Arkadiy Volskiy, the chamber on defense and security problems by the head of the Union of Realists Yuriy Petrov, the economic chamber by the head of the Our Home is Russia faction in the Duma Sergey Belyayev, and the foreign policy chamber by the Social Democratic movement co-chairman Gavriil Popov.

Chairmanship in the human rights and social policy chambers has been offered to Communists and Yabloko members who have not decided on their involvement in the council.

At the session Rybkin said the council was formed because the president was concerned about the interests of almost 40 million voters who are not represented in the Duma, as in the December 1995 elections they cast their ballots for parties and movements that did not clear the 5 percent barrier.

According to Rybkin, the main purpose of the council is to examine drafts of laws, presidential decrees and government resolutions.

"The president is interested in the public opinion," he said and voiced confidence that the council will become a permanent institution on the Russian political scene.

Russia: Chernomyrdin Says Number of Ministries To Be Reduced

LD1807084196 Moscow INTERFAX in English 0809 GMT 18 Jul 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW July 18 (Itar-Tass) — "The number of federal ministries and institutions will, most probably, be reduced, in order to avoid the duplication of their work," Prime Minister Viktor Chernomyrdin, to whom President Yeltsin assigned to form a new cabinet, said today in an interview with Russian news agencies.

Responding to questions of journalists about who will be included in the future government, Chernomyrdin said that it was too early to speak about it. "At present no one can tell who will be included in the government, and what its structure will be like, until the president himself makes decisions on key problems after the preparation of corresponding documents," he said.

"The problem is now being tackled, and we are coming up against various points of view. New ideas and organising schemes emerge in the process of work. Along with it, we are holding serious consultations at a political level with representatives of various political forces."

The prime minister stressed that, in his opinion, the meaning of this "difficult and painstaking work" is to create "effective management instruments in the form of the main blocs — the financial and economic, social and production ones, for whose functioning the government will be responsible, as well as to streamline and rationalise the solution of problems, connected with ensuring the country's security, law and order, as well as with international affairs."

As far as the government apparatus is concerned, he continued, "a combination of two factors is especially important in this respect. These are: the intensification of the analytical, expert and information work, as well as the dramatic growth of its level, in combination with mastering the normal functioning of the 'bureaucratic machine' proper. At present neigher of those factors has reached the needed level in this country, and they do not blend well so far."

Russia: Chernomyrdin Chairs State Commission Sitting on Chechnya

LD1707131496 Moscow Mayak Radio Network in Russian 1200 GMT 17 Jul 96

[FBIS Translated Text] We begin this news bulletin with a live report from the Russian Government building where a sitting of the State Commission for a Settlement in Chechnya is taking place right now under the chairmanship of Prime Minister Viktor Chernomyrdin. Our observer Vladimir Konyukhov gives us the details over the phone.

[Konyukhov] Opening the sitting, Prime Minister Chernomyrdin described the situation in Chechnya as very acute. Today we have to work out a specific timetable for actions toward a verifiable and controllable resolution of the Chechen crisis within the second six months of this year in accordance with the plan adopted by President Yeltsin. Incidentally, implementation of the presidential plan has already produced certain results in the political sense and wide-scale hostilities were halted successfully through immense efforts.

Most regrettably, we are again falling into a kind of vicious cycle, said Viktor Stepanovich: Talks that are then followed by an escalation of the situation and then the breakdown of accords. For the time being one cannot say that everything has broken down but the threat of this does exist. What is also alarming is that these cycles are repeated with tragic inevitability. Between 4 and 5 July, while the federal commission responsible for negotiations was conducting the talks process with the opposing side, there were, indeed, no active hostilities nor were there any major acts of provocation and people held by force were being released. But now, said Chernomyrdin, I have to state something quite different: Namely, that there has been a failure to use fully the new political opportunities of the set of military problems.

In effect, the situation has simply been wrecked by the actions of illegal armed formations and bandit groups. As before, attacks on road blocks and state institutions continue, as do hostage-taking and robberies. Since the signing of the protocols in Nazran, the ceasefire accord has been violated 600 times. Two major acts of sabotage on the railway have been committed and 73 servicemen have been killed. We cannot and we have no right to leave all this unpunished, said the prime minister. The president instructed us to find a settlement as soon as possible but peace will not come by itself. These are Chernomyrdin's words. Immense and earnest work is needed and the commission is now conducting just such work at Government House. We have been promised that after the sitting a meeting with journalists will be held. I hope to report in greater detail on the commission's decisions in Mayak Panorama sometime after 1800.

Russia: Primakov Comments on Chubays, Denies Lebed Foreign Policy Role

BR1707132496 Turin LA STAMPA in Italian 17 Jul 96 p 6

[Interview with Russian Foreign Minister Yevgeniy Primakov by Fernando Mezzetti in Moscow; date not given: "Lebed Must Keep His Own Place"]

[FBIS Translated Text] Among the disputes occasioned within the Kremlin by Aleksandr Lebed's ambition to take control over everything and his broad interpretation of the notion of national security, Yevgeniy Primakov has reaffirmed his jurisdiction over foreign policy and his loyalty to Yeltsin. In a brief interview separate from the joint news conference that he and [Italian Foreign Minister] Dini held at the end of their talks, the foreign minister agreed to answer questions on hot domestic topics on which the various components of the presidential and government circles are clashing. We were in the garden of the ministry's 19th-century hospitality pavilion, which is now being diligently restored after years of neglect.

Without polemics, but with sudden knowing smiles, Primakov, the cunning old head of counterespionage, briefly made his position in support of Prime Minister Chernomyrdin fairly clear. When questioned about the same issues, Chernomyrdin told me without hesitation, "I will never abdicate any of the prerogatives and responsibilities conferred on me by the Constitution."

[Mezzetti] In his capacity as adviser on national security and Security Council secretary, Aleksandr Lebed would like to coordinate foreign policy, and he has claimed that his office has jurisdiction over such issues. What do you think?

[Primakov] The coordinator of foreign policy has been and remains the minister of foreign affairs. This does not mean that the adviser on national security must be kept in the dark or that foreign policy cannot be discussed by the Security Council. Quite the contrary. The foreign minister is always a council member.

[Mezzetti] The security adviser is claiming the right to coordinate what are known as the strong ministries: defense, the interior, and the FSK [Federal Counterintelligence Service] (counterespionage — LA STAMPA editor's note).

[Primakov] The adviser can coordinate security issues concerning these ministries, but the ministers are answerable to the president.

[Mezzetti] What do you think of former Prime Minister Anatoliy Chubays' return to the president's team after saying only a week ago that he wanted to retire from politics for good? His appointment the other day as head of the presidential staff and adviser could in itself turn him into a strong power, even though he is not a member of the government.

[Primakov] I see this decision of the president's in a positive light. I see everything that the president does in a positive light.

Russia: Law on Reelected President Taking Office Rejected

LD1707223596 Moscow ITAR-TASS World Service in Russian 1402 GMT 17 Jul 96

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 17 Jul (Itar-Tass) — Today, the Federation Council rejected a law "On the Entry Into Office of the Reelected President of the Russian Federation" and proposed that the State Duma set up a conciliatory commission so that it can be jointly corrected.

The senators consider that this law, which, incidentally, was passed by the State Duma in its second version and which accounted for some feedback by the president, nonetheless still has quite a few flaws. First of all, the Federation Council notes, "the law goes beyond the issues it is intended to legally regulate." In particular, the item of the government relinquishing its powers to a newly elected president taking office should be included in the federal constitutional law on the government. The upper chamber members believe that the law should provide for the president's right to membership of public organizations whose statutory activity does not envisage political objectives. Attention was also paid to the fact that the law has not been given a financial ruling by the government, which needs to be done whenever a draft allows for costs to be paid by the federal budget. The senators have other points to make about the law. It was noted, for instance, that the point of this law being adopted is not that Boris Yeltsin has been reelected president but rather to prepare for the longer term when someone else will be elected to the post of president.

Russia: Duma Debates ORT's Future; Yeltsin Called 'Mummified Statue'

LD1707205596 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 17 Jul 96

[From the "Vremya" newscast]

[FBIS Translated Excerpt] Unlike the Federation Council, which today dealt with the country's urgent problems, State Duma deputies decided to let off the steam accumulated since the election campaign. The Zhirinovskites, Communists, and Agrarians decided to take revenge on the media for losing the elections. They singled out Russian Public TV as their first victim.

[Begin recording] [Unidentified correspondent] The deputies were in a fighting mood today. Within the first minutes of the meeting the Communist faction proposed that no additional items be put on the agenda, which already listed 40 items, and work be started straight away. In other words, they wanted to sort out Russian Public Television [ORT], something promised long ago. The discussion was initiated by the Communist and LDPR factions, whose leaders in recent times were seen mainly, not as deputies but as presidential candidates. And even though some deputies kept saying that it is a question of television in general and not just ORT, the latter was accused of many sins. One of the deputies even said that at present television is causing more damage to the country than the Second World War. The Duma heard various qualifications, from moral terrorism to the dark ages. A simple solution to the problem was offered.

[Rinat Gabidullin, Comunist Party faction, addressing Duma] There would not have been much harm done even if television had stopped broadcasting during the election campaign.

[Correspondent] The majority in the Duma are in opposition to executive authority and therefore intend to put up a fierce fight for any levers of control. The first channel [ORTV1] is the most powerful one among them, and some people would like to turn it back to the state. True, fairly unusual methods of using it are proposed.

[Vladimir Zhirinovskiy, addressing the Duma] We must adopt an historic decision giving the first channel to the state. The president, the government, and the parliament will have 33 percent in it in control, participation in program-making, and so on. So let a threesome be formed, but not for drinking a bottle of vodka in the doorway — it should be a threesome to take part in a single channel.

[Correspondent] As could be expected, the final argument was about money.

[Oleg Finko, chairman of the State Duma Committee for Information Policy, addressing Duma] Our only possibility of influencing television is through the budget. Many deputies in this audience are particularly angry about the aggressive, pro-presidential and pro-Yeltsin stand adopted by ORT and VGTRK [All-Russian State Television and Radio Company] during the election period. But what do we expect? ORT, which received not a penny from us in the official budget this year, should support another candidate and not Yeltsin?

[Correspondent] Yet again deputies demanded that the program Parliamentary Hour be restored, and that the situation with cadres at ORT be sorted out, sometimes even in court.

[Stanislav Govorukhin, addressing Duma] Why are these people not in prison?

[Correspondent] It became clear later that the topic of television concerned the Duma only as a link to a global post-election subject. Those who lost the elections are now ready to do anything to discredit the winners.

[Stanislav Govorukhin] What is done is done, the elections have been held. As was planned by those who organized this campaign, the country is left without a president. Instead of him we are shown some mummified statue. The practice has already started of...[Pauses] Why are you, Katya, looking at me as if what I say is not true?

[Unidentified Voice off screen] Stanislav Sergeyevich, I will switch off your microphone if you continue to insult the president.

[Govorukhin] How on earth have I insulted the president?

[Sergey Belyayev, head of Our Home Is Russia faction, in the lobby] Clearly this discussion started only because the election campaign is over and today's discussion is a hangover from the election campaign because the presidential candidates who have lost are trying to find the guilty party. In this case, they targeted ORT.

[Correspondent] After all the debate, the deputies adopted two draft decisions as a basis. The first speaks about the unsatisfactory financing of the media and asks the budget to pay off the debt to the media accumulated in 1995. The other draft decision asks the president to transform ORT into a state television company. However, deputies were not quite satisfied with the text of the document and they plan to give it final approval at tomorrow's session. [passage omitted: Chernomyrdin sent a letter to Duma asking it to work more efficiently] [end recording]

Russia: Growing Confrontation Between Parliament, Government Viewed

LD1707140196 Moscow Radio Rossii Network in Russian 1000 GMT 17 Jul 96

[Commentary by Aleksey Tokarev]

[FBIS Translated Text] New appointments above all in the cabinet of ministers will no doubt affect the relationship between the executive and legislative powers even in the immediate future. Here is Aleksey Tokarev with his commentary.

[Tokarev] The post-election truce between political rivals is once again developing into confrontation. While after 3 July, the statement by head of the State Duma Gennadiy Seleznev and speeches by his fellow-party members allowed one to hope for an almost unanimous confirmation of Viktor Chernomyrdin in the post of prime minister, now members of left-wing parliamentary factions are ready for a fight once more. True, the executive power has also changed its attitude toward the opposition. At the beginning, while there was talk about the impermissibility of a coalition multiparty government, both the prime minister and his closest entourage stated that they were ready to collaborate with professional administrators regardless of their party affiliations.

The fact that the post-election move initiated by the Russia Is Our Home movement to immediately replace the Duma's communist chairman has been left in limbo, if it has not died completely, can also be viewed as a step to meet the left-wing opposition half way. But the situation is quickly changing at the moment. The communists' ire was aroused by the appointment of Anatoliy Chubays, the father of Russian privatization, to the post of the president's chief of staff. The prime minister himself is in no rush to invite anyone from among the left-wing ministerial candidates for consultations.

Suffice it to say, that today in the Duma a letter by Chernomyrdin was circulated. It demands that the deputies speed up the examination of 80 legislative initiatives that were submitted by the government to the Duma a long time ago. In all probability the prime minister has let it be known that in the interests of the cause he is ready to sacrifice peace.

The opposition has also changed its approach to the issue of the appointment of prime minister. Today the Communist Party of the Russian Federation has been discussing conditions that it is intending to set to the prime ministerial candidate. Among these conditions are the need to make public a four-year work plan, an approximate composition of the Cabinet of Ministers, and a list of measures to extricate the country out of the crisis. If the prime minister fails to cooperate with our proposals, Viktor Ilyukhin, a leader of the Communist Party of the Russian Federation and the head of the Duma Security Committee, said, his candidacy will be failed at least once. By all accounts the communists will not be stopped by a constitutional threat of a dissolution of the Duma.

But who will benefit from turning political dialogue into confrontation? It is obvious that the most radical representatives at both ends of the political spectrum will want to take advantage of it. This will certainly lead to the loss of political stability, which has just been acquired.

Military & Nuclear Issues

Russia: Yeltsin: New Defense Minister To Bring Order to Army

LD1807093496 Moscow INTERFAX in English
0921 GMT 18 Jul 96

[FBIS Transcribed Text] MOSCOW, July 18 (Interfax) — President Boris Yeltsin said the major task of new Russian Defense Minister Igor Rodionov is to bring elementary order in the army, President Boris Yeltsin said Thursday while presenting Rodionov to a session of the Defense Ministry board held in the Barvikha sanatorium in the Moscow region where Yeltsin is spending his vacation.

Yeltsin spoke of "the moral climate in the army. Corruption is corroding the officer corps like rust. We cannot stop the ugly phenomenon of arms trade from army depots. We cannot get rid of hazing among soldiers."

Yeltsin said that it was impossible to solve these problems "by separate partial measures."

"We need profound military reform," he said.

The major aim of the reform is to create a professional army by the year 2000. It must enjoy popular support, respect, and be provided with everything it needs, but "it should not be an unbearable burden for society," Yeltsin said.

Military reform is a state task, but not only the business of the military department, and therefore Yeltsin has decided to create a Defense Council. This body will implement the strategic decisions of the country's Security Council, resolve issues related to defense security and exert control over the process of military construction.

Russia: Rodionov Favors Single Leadership of Power Structures

LD1707215296 Moscow Russian Public Television First Channel Network in Russian
1700 GMT 17 Jul 96

[From the "Vremya" newscast]

[FBIS Translated Excerpt] Will the new defense minister, who took up his post today, be able to unravel the knot of difficult problems? Igor Rodionov was today appointed defense minister. [passage omitted]

General Rodionov worked on the development of general concepts and a program for military reforms. He believes that the state's system of defense and military organization should be amended in line with the new geopolitical realities in which Russia finds itself. Rodionov thinks that reforms should ensure military security for the country and its allies. In this connection, the general believes, a single leadership of all Russia's power structures is needed.

[Begin Rodionov recording] The borders of the Interior Ministry's districts are those of border districts. In each ministry, all these borders are indicated on the map in a different way, without agreeing them with anybody, not even with the general staff. Proceeding from this they have created many structures and each is dealing with its own problems and finances. However, there is no unifying basis on a state scale. But it is needed. We worked on this with Anatoliy Kvashnin and developed a single approach to uniting all this in the interests of the state, rather than individual departments. [end recording]

Igor Nikolayevich has so far refrained from any comments on his appointment. He told us by telephone that he still needs time to think it all over.

Russia: Rodionov Stresses 'Feeling of Great Responsibility'

MK1807092996 Moscow NEZAVISIMAYA GAZETA in Russian 18 Jul 96 p 1

[Interview with Defense Minister Igor Rodionov by Andrey Poleshchuk under the "First-Hand" rubric with the general heading: "Boris Yeltsin Continues a Drastic Personnel Renewal. He Finally Appoints Igor Rodionov, One of Russia's Most Prominent Professionals in Military Affairs, as Defense Minister"]

[FBIS Translated Text] In a brief telephone interview Colonel General Igor Rodionov answered the questions of your NEZAVISIMAYA GAZETA correspondent.

[Poleshchuk] Let me congratulate you on your appointment...

[Rodionov] Thank you!

[Poleshchuk] May I ask you a few brief questions...

[Rodionov] No, until I am introduced to the Defense Ministry collegium by the supreme commander in chief it would be unethical on my part to answer any specific questions. For this reason I am not telling anyone anything, even for NEZAVISIMAYA GAZETA.

[Poleshchuk] And when will the introduction take place?

[Rodionov] I do not know. This depends on the president.

[Poleshchuk] Let me ask you then what feelings you have today.

[Rodionov] My feelings? First of all, this is a feeling of great responsibility.

[Poleshchuk] In what way does in manifest itself?

[Rodionov] There are many things to be done, many problems, including those that have yet to be resolved. They should be resolved urgently. Until this day my job was more relaxed in comparison to what I will have to do now. I am attuning myself to completely different workloads and different areas to which my efforts will be directed, to a larger scale. Responsibility and more responsibility. The most dangerous thing is when they pin their hopes on you, and you could let them down, not live up to their trust.

[Poleshchuk] Do you yourself feel that you have enough strength to tackle this demanding job?

[Rodionov] If I hadn't, I would have found the strength to refuse.

Russia: New Defense Minister Determined To Fight Corruption in Army

LD1807104796 Moscow ITAR-TASS World Service in Russian 0937 GMT 18 Jul 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Barvikha (Moscow region), 18 Jul (Itar-Tass) — New Russian Defense Minister Colonel General Igor Rodionov told an ITAR-TASS correspondent after being presented by the Russian president to the ministerial collegium that he intends to wage a resolute struggle against corruption in the army.

"The army's authority cannot be maintained if the army is corrupt, especially its leaders", he said.

General Rodionov noted that in the army "everything must follow the principle 'Follow my example', and I have no intention of departing from this principle in the office of defense minister".

The minister told the ITAR-TASS correspondent that Boris Yeltsin had instructed him to prepare and present to the command an in-depth report on the new tasks facing the armed forces.

Replying to a question as to which subjects the minister raised in his address to the collegium at the session, Igor Rodionov noted that he called for the strengthening of the armed forces and the carrying out of military reform so that "the army was not a burden for the country and a bugbear to the world community".

Russia: Rodionov Seen Facing 'Very Difficult' Tasks

MM1707152396 Moscow IZVESTIYA in Russian 18 Jul 96 p 1

[Report by Viktor Litovkin: "General Igor Rodionov Is the New Russian Defense Minister"]

[FBIS Translated Text] No sooner had IZVESTIYA said yesterday that the defense minister's post had not been vacant for so long since 1802 than the president appointed Colonel General Igor Rodionov the new Russian defense minister.

Igor Rodionov was born 1 December 1936 in the village of Kurakino, Serdobskiy Rayon, Penza Oblast; he is a graduate of the Orel Tank School, the Armored Forces Academy, and General Staff Academy, he commanded a motorized rifle division in the Carpathian District, served in Afghanistan as commander of the 40th Army, was commander of the Transcaucasus Military District, and has been chief of the General Staff Academy since 1989. He has been a colonel general since 1988.

Observers regard the appointment of Igor Rodionov as a sign of Security Council Secretary Aleksandr Lebed's growing influence on army structures. It was Lebed who insisted on Rodionov's appointment to the post, although the general was responsible for the April 1989 events in Tbilisi.

Rodionov's tasks in the new post are very difficult. Not only does he have to purge the Defense Ministry of the corrupt "nestlings of Grachev," ensure that officers' allowances are regularly paid, and pay off the debts of the last two months, but he also has to carry out a constructive reform of the armed forces and make the army completely professional in 2000. In a recent interview Igor Rodionov said that military reform affects the country's entire defense sphere and presupposes the implementation of political, economic, military, social, legal, and other measures to ensure that the state is ready to defend itself against an attack and the actual defense of the population, territory, and sovereignty of Russia. It is perfectly clear that many of the aforementioned measures lie a long way outside the functions of the Defense Ministry and are the prerogative of the president and legislative and executive authorities. We will discover whether the country's leadership is prepared to help the defense minister conduct this reform.

Russia: Duma Chairman Seleznev Welcomes New Defense Minister

LD1707152996 Moscow INTERFAX in English 1446 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (Interfax) — Russian State Duma Chairman Gennadiy Seleznev of the Communist Party faction has welcomed the appointment of Col. Gen. Igor Rodionov as Russian Defense Minister.

"Rodionov has shown himself as a good military man and a very honest person," he told reporters in the national parliament on Wednesday.

"Within the context of very dramatic situations regarding Tbilisi, he did not act as a coward handing the responsibility over to somebody else, but had the courage to come through all the deserved and undeserved criticism of his actions," Seleznev said.

Russian Security Council Secretary Aleksandr Lebed and State Duma Defense Committee Chairman Lev Rokhlin "played a positive part" in Rodionov's appointment as defense minister, he said.

State Duma Defense Committee Chairman Lev Rokhlin of the Our Home is Russia faction told Interfax that he was "grateful to President Boris Yeltsin for the extremely wise decision" to appoint Rodionov as Russian Defense Minister.

One can now be confident that the situation regarding the army will improve and military reform will be implemented beyond doubt, he said.

When asked whether the new defense minister's appointment would influence the situation in Chechnya, Rokhlin voiced the hope that the new defense minister's position regarding this problem would be "very balanced." However, he did not elaborate.

State Duma Defense Committee Deputy Chairman Aleksey Arbatov of the Yabloko faction believes that there were better candidates for the defense minister than Rodionov.

He named Russian Federal Border Guard Service Director Andrey Nikolayev as an example.

Arbatov said he was confident that Rodionov had been appointed as defense minister because of pressure exerted by Lebed.

However, "the president's choice needs to be respected, and it is necessary to wish that the new minister cope with his functions successfully," he said.

"These are some internal, very sly compromises relating to the balance of power within the executive power: the appointment of [Anatoliy] Chubays [as presidential chief of staff] on the one hand and the appointment of Rodionov on the other hand," Arbatov said.

"The president likes this. I would wish him not to create such balances within the executive power but to make appointments proceeding from the criterion of professionalism," Arbatov said.

State Duma Defense Committee Deputy Chairman, Col. Gen. Eduard Vorobyev of the Russia's Democratic Choice unregistered group of deputies told Interfax that he hailed Rodionov's appointment as Russian defense minister.

"I know him from our joint service in the Trans-Carpathian Military District during the 1970s. I appreciate him as a highly skilled professional. I believe that General Rodionov is capable of implementing military reform," he said.

At the same time, Vorobyev said he was waiting for the new defense minister to voice the need to end combat actions in Chechnya and "make personal moves for this purpose."

Rodionov is a good professional, member of the State Duma Defense Committee Sergey Yushenkov of the Russia's Democratic Choice unregistered group of deputies told Interfax.

However, the defense minister needs to be not only a good military specialist but also a politician, he said, adding that in his opinion Rodionov did not qualify as a politician.

Moreover, "the Defense Ministry should be led by a civilian," Yushenkov believes.

Rodionov is one of the most honest generals of the Soviet and Russian army, General Albert Makashov of the Communist Party faction told reporters.

During all his army service, Rodionov has had no outside support, and was commander of a platoon for a very long time: for more than seven years, Makashov said.

Makashov was formerly Rodionov's deputy in the Trans-Caucasian Military District. "I carried out all the instructions and orders of my chief not because I had to, but with pleasure, because it is pleasant to work together with Rodionov," he said.

State Duma Security Committee Chairman Viktor Ilyukhin of the Communist Party faction also backs Rodionov's appointment as Russian defense minister.

"Rodionov is a well-respected and highly skilled specialist who has mounted all the rungs of the military ladder, having accumulated huge experience," he said.

When asked what stand on Chechnya the new defense minister was likely to take, Ilyukhin said that "decisions on this matter are made by the president.

"The defense minister only carries out the will of the supreme commander-in-chief," he said.

Russia: Prominent Defense Correspondent Hails Rodionov Appointment

MK1807104696 Moscow SEGODNYA in Russian 18 Jul 96 p 1

[Report by Pavel Felgengauer: "Igor Rodionov Has Become Defense Minister. Serious Changes and Reform in the Military Are Inevitable"]

[FBIS Translated Text] A month ago President Boris Yeltsin was still thinking about a replacement for the retired Pavel Grachev. To be sure, the choice was not easy. During Yeltsin's first presidential tenure tanks twice decided the country's future on the streets of Moscow. And therefore Yeltsin was accustomed to appointing chiefs of "power" structures primarily on the basis on their personal loyalty. But after his convincing victory on 3 July the president apparently decided that his position is so unassailable that he can appoint officials on the basis of their professional qualities and loyalty to the law, not the president in person. First Gen. Kovalev was appointed FSB director, and now Igor Rodionov has been made defense minister.

Gen. Rodionov is one of the most authoritative and experienced military leaders in our armed forces. Rodionov has been chief of the General Staff Academy since 1989, and, so, many generals and admirals are his [former] pupils. Unlike Grachev, he has gone through all stages of the military career of an operational commander and staff officer, including participation in foreign campaigns: He commanded the 40th Army in Afghanistan, and was the chief Soviet military adviser in Damascus. Yeltsin simply had no better qualified candidate for defense minister, and not only Aleksandr Lebed, but many other advisers recommended that the president appoint Rodionov.

Meanwhile Rodionov's successful military career seemed utterly ruined in 1989. He was commander of the Transcaucasus Military District with headquarters in Tbilisi, and he was blamed for the civilian casualties in the breakup of a public rally organized by Zviad Gamsakhurdia. True, the military still maintains that the troops acted in self-defense, beating off attacks by the "brutal Zviadites," and that, furthermore, they were carrying out the verbal directives of the political leadership which then chickened out and ran for cover, shifting the whole responsibility onto the general.

Harassed by the then-democratic public, Rodionov began to ideologically gravitate toward the would-be members of the State Committee for the State of Emergency; he granted an extensive interview with the newspaper DEN together with Oleg Baklanov, and after August 1991 clearly expected reprisals. Yet President Yeltsin took none; the armed forces stayed out of politics and retained quite a few military professionals who now can, together with Rodionov, try to extricate them from profound crisis. Evidently the Tbilisi-89 events have ceased to have much political significance in Russia today.

During Gen. Grachev's tenure Rodionov increasingly criticized the actions of the top military leadership. In 1995 he became closely associated, via the KRO [Congress of Russian Communities] platform, with Aleksandr Lebed, who was his subordinate in Tbilisi back in 1989. Lebed's sensible proposals about military reform are primarily Rodionov's ideas.

Today, for the first time in many years, the military department in Moscow is headed by a general who well understands the long-term problems of military force development in Russia, which is rare among generals. His appointment is a triumph, not so much of a particular faction in the Kremlin, as of common sense.

On 1 December Rodionov will turn 60, and under the law, he will have to be discharged from the military. True, a minister can be discharged only by the president, not the personnel department "in connection with a pensionable age." To a 65-year old president, 60 is hardly an age of professional incapacity. At worst, Rodionov will be able to serve as defense minister in a civilian capacity.

The new minister has come to stay; that is, of course, if he manages to cope with the formidable challenges facing him. At present the Defense Ministry is completely bankrupt. Unpaid wages, defense order arrears, and debts to suppliers exceed 20 trillion rubles. Moreover, the tardy military reform will call for additional expenditures. Lebed's rational idea to abolish useless understaffed units and to concentrate forces in 10-15 full-fledged, battleworthy divisions certainly looks attractive. But there are thousands of officers serving in these undermanned divisions; this is where their families live, and their relocation or discharge is fraught with social tensions. It will then take the authority of Lebed and Rodionov to retain control of the troops.

Russia: Colleagues Satisfied With Rodionov Appointment

MK1807102996 Moscow KOMMERSANT-DAILY in Russian 18 Jul 96 pp 1, 3

[Report by Ilya Bulavinov: "It's Rodionov, All Right"]

[FBIS Translated Excerpt] The new Russian defense minister has been appointed exactly one month after Boris Yeltsin's meeting with Pavel Grachev, where the latter handed in his request to resign. Before yesterday, Colonel General Igor Rodionov, 59, held the position of chief of the General Staff Academy. It is assumed that as early as today Yeltsin will introduce him to the ministry's leadership.

Rodionov's appointment was unexpected. Moreover, in the wake of the general's meeting with the president Friday, information came through to the effect that Rodionov's candidacy had been struck off the agenda. The impression was that not only the "Tbilisi syndrome," but also the vigorous pulling of strings by Lebed, put this contender out of contention. Yeltsin, however, made his gambit. True to the "checks and balances" idea inside his entourage — seen in the appointment of Anatoliy Chubays (a compromise figure, in this sense) as chief of staff — he gave Lebed a present the latter seems to have never dreamed of.

One can only guess at what develops next. Will Rodionov seek a compromise with the old guard, or will he begin to "sweep in a new way" right off? A General Staff analyst talked to your KOMMERSANT-DAILY correspondent yesterday about the strengthened position of General Staff chief Mikhail Kolesnikov (all but written off by many). In his opinion, Rodionov will not cast away old hands, but will lean on Kolesnikov — especially because the General Staff chief "always held back Grachev from risky ventures."

Keeping Kolesnikov in the position of General Staff chief is also seen as wise by Eduard Vorobyev, Duma deputy and general. In his view, the new minister needs Kolesnikov in order to get into the swim sooner. There is also another variant. Ground Troops Commander in Chief Vladimir Semenov may become General Staff chief. Information came in not long ago concerning his building of relations with Lebed, whereas the men in the High Command did not hide their satisfaction with Rodionov's appointment yesterday.

Generally speaking, the future of the General Staff chief's position could be most unpredictable. Either Rodionov finds a totally new man for this position, or the president insists on some of his choices and selects a general he knows very well (Viktor Chechevatov, for example, commander of the Far East Military District, whom he met with last Friday). Finally, Yeltsin may appoint as General Staff chief Andrey Nikolayev — with a view of later making him minister. The chances that there will be an attempt to hitch Rodionov and the young Nikolayev to the same cart are not great, however.

Rodionov's age has already became a topic of gossip. The maximum [in-service] age determined for Russian officials by law is 60 years. Rodionov will be 60 in December. Although yesterday they already began to say that this is no problem, and that there are ways to get round the rule, one cannot completely rule out such a variant; that is, that yesterday's presidential decision was dictated by the intention of putting off the final solution of the question until winter.

Be that as it may, it is Rodionov who has become head of the military department. All the generals your KOMMERSANT-DAILY correspondent spoke with between 1330 and 1400 simply would not believe "the news of the day" at first. At 1401 one telephone dialogue was interrupted (just as the appointment was reported by the Vesti [TV] program) by the exclamation: "I'll be a son of a bitch ["U, b....]. It's Rodionov all right.

Well, okay. Bye." [The curse, in this context clearly an expression of amazed approval, was presented with ellipsis in the original text. In full it is "U, blyad" literally, "whore."] Ten minutes later it was no longer possible to reach the generals in their offices — their adjutants at first were saying that conferences were in progress and then "the boss has left for the General Staff." One of the colonels "reported" that the news at his level was taken with something even greater than delight; all the alcohol in stock at the General Staff snack bar was sold out in an hour. The latecomers commented cautiously on Rodionov's arrival: "Rodionov was right in saying you cannot build a 100-ruble army with one ruble in your pocket. Therefore, we shall not make haste, there is no money anyway."

Your KOMMERSANT-DAILY correspondent met with the saddest interviewee in the Staff for the Coordination of CIS Military Cooperation: "No matter what happened in Tbilisi in 1989, Rodionov has a stable image in Georgia. And the Russian defense minister is chairman of the Council of CIS Defense Ministers, you know. What shall we do about cooperation with the Transcaucasus now? Okay, let's wait and see." [passage omitted]

Russia: General Staff Sees Rodionov as Best Possible Choice

MK1807110196 Moscow NEZAVISIMAYA GAZETA in Russian 18 Jul 96 p 2

[Report by Igor Korotchenko under the "Reverberations" rubric with the general heading: "Boris Yeltsin Proceeds With a Drastic Personnel Renewal. He Finally Appoints Igor Rodionov, One of Russia's Most Prominent Professionals in Military Affairs, as Defense Minister"]

[FBIS Translated Text] Yesterday's edict by President Boris Yeltsin has elicited a positive reaction from an overwhelming majority of officers and generals of the General Staff of the Armed Forces.

"This is the best of all possible decisions," said a representative of the Main Operational Directorate [GOU], who is personally acquainted with Rodionov. "Igor Nikolayevich is a decent, clever, and modest man. He enjoys great respect both in the military and in the central staff of the Defense Ministry," the major general of the GOU said.

The universal view of those who know Igor Rodionov well, and who sympathize with him, is that he is a thoughtful, meticulous, realistically minded commander with an undoubtedly analytical type of mind, who is perfectly aware of the entire depth to which the Russian Armed Forces have fallen. He stands for the priority development of the Strategic Nuclear Forces and their main component, the Strategic Missile Forces, and holds a negative view on the ratification of START II. He argues that the five-service structure of the Russian Armed Forces should be retained together with an increase in the role of the General Staff as the supreme body exercising operational command over troops and supervision over the process of military organizational development.

In the General Staff, they make no bones about the fact that Igor Rodionov is the last hope of the Russian officer corps, who exercise their military service duty even at a time when their paltry pay is delayed for months.

To the question of who would make up the bulk of the newly appointed defense minister's team, General Staff officers mentioned the names of Army General Vladimir Semenov, commander in chief of the Ground Troops; Army General Igor Sergeyev, commander in chief of the Strategic Missile Troops; Colonel General Leontiy Kuznetsov; commander of the Moscow Military District; Colonel General Anatoliy Sergeyev, commander of the Volga Region Military District; and Colonel General Yuriy Grekov, commander of the Urals Military District. The General Staff officers had no certainty yet about the future of Army General Mikhail Kolesnikov, current chief of the General Staff. The name of Konstantin Kobets elicited a sharply negative reaction: "He should have gone to Chechnya at least once instead of lobbying for 'Lyukon.'"

Lev Rokhlin's appointment as first deputy defense minister is seen by General Staff officers as quite possible given the emerging alliance between Lebed and Rokhlin.

[Article includes the following passage under the "Bibliography" rubric]

Igor Rodionov, whom the official print media did not like to publish, set forth his views on military reform in fairly great detail in articles that were published by NEZAVISIMAYA GAZETA. Yesterday, many foreign correspondents called our editorial board, asking it to specify when precisely these articles were published. We give a list of Colonel General Igor Rodionov's main publications in NEZAVISIMAYA GAZETA and NEZAVISIMOYE VOYENNOYE OBOZRENIYE.

1. 23 December 1994 — "We Do Not Want To Militarize Society Again. On Military Reform and Reform of the Armed Forces."

2. 9 February 1995 — "After Chechnya. A New Turn in Reform of the Armed Forces or the Repetition of Past Mistakes."

3. 22 April 1995 — "In Russia and for Russia. The Main Guidelines of Military Reform."

4. 18 November 1995 — "Military Reform in Russia. Its Main Purpose Is To Ensure the Security of the State."

Russia: Rodionov's Appointment Seen as Show of Lebed's Power

LD1707121896 Moscow ITAR-TASS in English 1204 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (Itar-Tass) — Russian President Boris Yeltsin today named the country's new Defence Minister. He appointed Colonel General Igor Rodionov, 59 to the post vacated by much-disliked Pavel Grachev almost a month ago.

The presidential press service told Itar-Tass on Wednesday that prior to the appointment, Rodionov headed the General Staff Academy and his candidacy was actively lobbied by Aleksandr Lebed, Secretary of the National Security Council and national security adviser to the President, despite critical attacks on his protege by people from the entourage of ex-Defence minister Pavel Grachev.

A career officer, Rodionov who was born on December 1, 1936, made his way from platoon commander to Defence minister. His educational background is quite impressive for an officer — he graduated from the Armour Academy with honours and later took a course in the Academy of the General Staff which he later headed.

Rodionov, just as Lebed, is an Afghan war veteran. After serving in Afghanistan, he commanded the Caucasian military district in 1988-1989 and was the military commandant of the Georgian capital of Tbilisi.

Commenting on his latest appointment, Colonel Georgiy Krasheninnikov, the head of the analytical centre of the State Duma house defence committee, said today that Rodionov "will do much for the Armed Forces of Russia."

"Men in the ranks know General Rodionov as a patriotically minded general who values the interests of the Motherland more than anything else," Krasheninnikov said.

He said he had no doubt that the new minister would "cleanse the central apparatus of the ministry from corrupted persons and make the first steps towards the moral normalisation of the General Staff."

Krasheninnikov said the appointment of Rodionov as Russia's defence minister inspires hopes for an improvement of the situation in Chechnya. Both his experience of Afghanistan and the Caucasian republics and the backing of Security Council Secretary Aleksandr Lebed would come in handy in his new post, Krasheninnikov said.

The office of the country's defence minister is no longer vacant after the longest pause in the country's history since 1802, according to Izvestiya, and the struggle for the post is over. Aleksandr Lebed has again confirmed that he is a winner, as he once called himself.

Ever since he appeared in the limelight of the country's political life, he has suffered only one set-back, if his surprise performance in this year's presidential election could be called that.

After finishing third behind Boris Yeltsin and his communist rival Gennadiy Zyuganov with his surprising 15 percent of all votes in the first round of the race for the Russian Presidency in June, Lebed strengthened his own position in the political elite by rising to two powerful posts as the National Security Council Secretary with enlarged powers and the presidential national security adviser, ousting three powerful security officials close to Boris Yeltsin — ex-Defence Minister Pavel Grachev, chief of the President's personal security service Aleksandr Korzhakov and FSB [Federal Security Service] head Mikhail Barsukov and by securing the appointment of Rodionov to the post to a key post in the face of what appeared to be insurmountable objections.

Russia: Yeltsin Wants Professional Army by 2000

LD1807114096 Moscow ITAR-TASS in English 0926 GMT 18 Jul 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] BARVIKHA July 18 (Itar-Tass) — President Boris Yeltsin ordered the military on Thursday to create a professional army by 2000 which should be compact, but technically strong and well-trained. He also called to increase the role of General Staff which should coordinate the activities of all existing troops in Russia also in peace time.

"The real might of the country should be determined mostly not by the number of troops, but by a high level of organisation, skills, high technical provision", the president told top military brass after introducing new Defence Minister Igor Rodionov to them in the Barvikha residence where the head of state is on vacation.

He reiterated his earlier decision to end obligatory military conscription by the year 2000 and said Russia should have a professional army "which is to enjoy popular support, respect, be equipped with everything necessary, but at the same time should not be an unbearable burden for society".

The president also said it was necessary to increase the role of General Staff "by means of strengthening interaction between forces and means of various arms" of troops.

"In peace time the General Staff has to be entrusted with such functions as the coordination of the formation and the use of other troops of the Russian Federation", the president said.

Other major tasks set by the president include ensuring the maximum technical provision and manning of units and formations engaged on the main directions of activities of the armed forces, maintaining the nuclear deterrence force at the proper level, developing the whole complex of information warfare means, high-precision weapons, mobile defence infrastructure.

Yeltsin also urged that the military pay priority attention to the needs of the servicemen and civilian personnel. He set the task of "creating a flexible, fair service system which will be clear for the public and the servicemen".

Another task is to fully ensure social rights of retired officers and non-commissioned officers. "Appropriations for that should be increased, but outside the expenses for national defence", the president stressed.

He also called to increase R&D appropriations in the framework of general military expenses. "The strengthening of the scientific and military-industrial potential should allow Russia to independently produce all the necessary types of armaments and military hardware", Yeltsin said.

Military education should be improved and certain provisions of the military theory and art should be reviewed, according to the head of state.

The president stressed that "all tasks should be solved by the defence ministry in close contact with the Security Council of Russia, strictly and exactly like the military do".

Security Council chairman Aleksandr Lebed was present at the introduction ceremony.

Russia: Yeltsin, Generals Blamed for Army's Decline

MM1807091196 Moscow PRAVDA in Russian 13 Jul 96 p 1

[Article by Major General Boris Golyshev under the "Scandals" rubric: "How the General Blew the Whistle on the Generals"]

[FBIS Translated Text] The latest scandal has been played out in Russia's political life. Lieutenant General L. Rokhlin, chairman of the State Duma Defense Committee, has published documents on corruption at the highest level of the Defense Ministry.

"Democratic" mass media journalists, who had just started getting bored after the cut and thrust of the election, seized on the juicy facts. Gradually Rokhlin is changing from a denouncer to an accused. Having recovered from the state of shock, the generals named in the Duma Committee chairman's report have gone on the offensive.

There is nothing surprising about that, everything is within the bounds of the "democratic" genre.

The mass media will kick up a fuss and call for justice, which the nationally elected guarantor of the Constitution personifies. Eventually the president will remove the most odious generals far out of sight and the sensation will subside. The old thieves will be replaced by new ones — nothing will change.

Right now we are not going to go into the details of the scandalous situation — who has pocketed how much, constructed dachas, and so on. It is better that we ask ourselves about the deep-seated reasons for corruption in the Armed Forces. Why previously, under Soviet rule, when the Army was considerably richer materially, theft was the exception whereas now, when it has become destitute, it is being mercilessly plundered?

Gen. Rokhlin's report presents mainly well-known facts. He has merely "pinched off" the top of the weed that has grown in the fertile environment of present-day Russia's socioeconomic system. What, did the president not know about the military chiefs' abuses during the troop withdrawal from East Europe and the Baltic region? What, did he not know that around 400 Defense Ministry state dachas were "piratized" for a knockdown price by Moscow military chiefs? For certain military chiefs these dachas were not enough — they erected another two or three villas each, often using Defense Ministry fund materials on the cheap. There was even a photograph of K. Kobets's "castle" in one newspaper. It is said that prior to the presidential election, fearing that a Communist would get into power, many generals urgently drew up documents for the mansions they had erected, mainly based on a value of 50 million [rubles — R] (although their real value is five to 10 times greater).

How many times was it suggested that the president remove Defense Minister P. Grachev from his post for failing to cut the mustard from both the military and the political viewpoint. But Yeltsin called the Army's main reformer the best defense minister.

Now we come to the main question. Whom does the current Russian Army serve and who controls it?

All officials, starting with the defense minister, his deputies, and commanders in chief of armed services, are appointed and relieved by the president personally. He alone confers military ranks and awards on them. The power structures are not under the control of either parliament or the prime minister.

That is how the Russian Defense Ministry has turned into a personal fiefdom. What kind of democracy is there to talk about in the Army organism? Officers' assemblies are not functioning in the units because, according to statute, they are headed by the commander. Unlike previously, there are no people on the military councils who are independent of the commanders. These days there is nowhere for an officer to express his dissatisfaction; therefore, more and more of them are resigning in protest.

The reform in the Army that so many people are talking about is essentially a fiction and an insult to common sense. The late payment of pay to servicemen has become the norm. These days officers and warrant officers receive approximately a third of what they earned in 1990. We have a reached a point whereby there is no money to pay off the soldiers and noncommissioned officers who are being discharged from Chechnya. They have risked their lives to defend our state interests, but even the money to send them on their way will not be found. All this is against a background in which certain commercial structures and banks are making a fortune out of the Army's troubles.

There was a report in the mass media that, contrary to law, Prime Minister V. Chernomyrdin permitted troops in Chechnya to be funded via commercial banks. It is said that "Menatep" earned over R600 billion in interest alone. As a result of his "charity" a hole appeared in the Defense Ministry's already holey pocket.

Incidentally, it is no accident that some armored personnel carriers in Chechnya bore the inscription: "We are shedding our blood for 'Menatep'"....

The former defense minister has taken great offense at Gen. Rokhlin. "My colleagues and I," Grachev stated, "saw Rokhlin as a man who...would protect the **interests of the defense minister** (my emphasis — B.G.) and the Defense Ministry." Forgive me, but what is this separation of the interests of the minister personally and his department? Then Grachev shows his former subordinate general how he understands his place as a minister and corruption: "I illegally gave him an apartment on Rublevka, I gave him a garden plot...."

You want to ask: What kind of person are you, Mr. Grachev? Have you got private homes and your own land of which you are master? What struck me most was that Grachev portrayed as "corruption" the favor he did his subordinate in that he "saved Rokhlin's life by hook or by crook" by sending a hospital aircraft to him in Volgograd.

Here the words from the well-known song involuntarily come to mind: "Something has happened to my memory." Or to be exact, to morals. Since when did saving people become an unjust cause? A question about this could never even have arisen in our Army life.

Another feature of the former defense minister's moral outlook. The guys who refurbished Rokhlin's apartment informed Grachev that the work cost R120 million. "So far," the minister claims, "he has not paid the money...and he has no intention of paying."

I do not know what kind of "guys" Grachev has, but from what Rokhlin said I venture to claim that he had moved into a new apartment, which naturally did not need refurbishing. Second, had he known (and Rokhlin did not conclude any renovation contracts) that the work would cost R120 million, he would not have moved in, because he has had to live without any wages for around 10 years. Furthermore, Lev Yakovlevich [Rokhlin] said that he is prepared to swap apartments with Pavel Sergeyevich [Grachev] himself.

Military chiefs in the Defense Ministry have been selected according to Grachev's taste. What else could have been expected of them?

Gen. Rokhlin made a complaint against V. Semenov, commander in chief of Ground Forces, stating that in the 18 months of the war in Chechnya he has not been there once. He is right. How can the commander in chief of Ground Forces sit it out in Moscow while untrained soldiers from all over are mustered for the slaughterhouse in Chechnya. But Army General Semenov counters Rokhlin's remark with the claim that he was in Chechnya prior to the introduction of the grouping and prior to B. Yeltsin's visit there....

Another thing. All the commanders in chief worked on Yeltsin's election campaign, and he promoted them on the eve of the election. Not one commander in chief has had the courage to raise the question from the state's standpoint — either-or. The Russian Navy is perishing before our very eyes and with the participation of Admiral F. Gromov, and P. Deynekin's cool stance has brought aviation to crisis point. Air Defense, Airborne Troops, and other branches of the Russian Army are not in the best of states....

What exactly must be done to save the Russian Armed Forces?

First, the supreme commander in chief must be made to answer for the disintegration of the state's defense.

Second, parliament must take control of the Armed Forces before they disintegrate completely. The appropriate laws must be passed and the Constitution amended. Power structures must not be allowed to become the fiefdom of anybody, including the president.

Russia: Rokhlin Denies Aspiring To Be Deputy Defense Minister

LD1707214396 Moscow Radio Rossii Network in Russian 1800 GMT 17 Jul 96

[FBIS Translated Text] It would seem that General Lev Rokhlin, chairman of the State Duma defense committee, gains first and foremost from the appointment of Colonel General Igor Rodionov as the new defense minister. Recently, he made a speech exposing top military officials at the Defense Ministry. A rumor is going around that Rokhlin might even aspire to the post of Rodionov's deputy. Here is what Rokhlin had to say in an interview with our correspondent.

[Begin Rokhlin recording] I am constantly the subject of rumors. There were rumors in Chechnya that I was to fill this or that high post. I denied them. Then there were rumors that I was to receive this or that reward. Once again I denied them. This is to say, whatever rumors there may be, I state with certainty that, until I am expelled from the Duma, I shall be the chairman of its defense committee, first and foremost, because in this position, I can most benefit the army. [end recording]

Russia: Draft Military Reform Gives Lebed New Power

MK1807120896 Moscow KOMMERSANT-DAILY in Russian 18 Jul 96 p 3

[Report by Ilya Bulavinov: "An Armed Forces of the Reform Period. If You Are To Know How, You Should Know for the Sake of What"]

[FBIS Translated Text] The struggle for control over the power structures has never stopped in Russia. Initially, it pitted Russia against the Soviet Union's central government, then the democrats against non-democrats. Later, the president against the parliament, represented by the Supreme Soviet and the State Duma. The executive branch first put forward the idea of introducing the post of deputy prime minister supervising the power agencies, then gave rise to rumors about the government's handing over a major portion of its "power" authority to the presidential staff. Now the standoff seems to have taken on a new and fully predictable turn. It is predictable because it is caused by one single reason: the arrival of General Aleksandr Lebed in the power structures.

The struggle between the ideas and programs of military reform has been under way for more than a year now. At the same time views on the progress of the reform itself range from "it is in full swing" to "it has become completely stalled," while the state of the military is assessed first as "a complete breakup" to something like "we have tackled Chechnya somehow or other, and, generally speaking, against the backdrop of everything else...." Periodically, the generals (from Grachev to Gromov) suddenly urge that reform be put on hold altogether until better times, while retaining the best of what is left.... The interdepartmental commission under Viktor Chernomyrdin, which was set up by presidential edict, coughed up a concept that was agreed upon by all the interested agencies by the end of last year. But, to all appearances, it too has by now quietly passed away. It is only logical that the theme of military reform was given a new lease on life after the elections, all the more so because the presidential campaign brought Aleksandr Lebed to power.

Concluding his famous report about corruption in the high echelons of the top brass, Deputy Lev Rokhlin pointed out the need to pass as soon as possible the laws "On Military Reform in the Russian Federation" and "On the Military Council of the Russian Federation Security Council." Against the background of squabbles over houses whose construction has been left unfinished, and the building of countryside homes, there was no time to get down to laws. And that is very deplorable.

Rokhlin's 10-page draft law "On Military Reform in the Russian Federation" produced a great impression on various agencies and government staff. The crux of military reform was brought down to one sentence: "Military reform is understood as a set of political, economic, military, social, legal, and other measures aimed at bringing the structure, composition, and strength of the Armed Forces of the Russian Federation and other troops, military units, and military agencies as well as their manpower acquisition, equipment, and comprehensive support systems in line with the requirements and capabilities of the state." The draft also specifies (without giving any specific reasons, however) the time frame for the reform — from 1997 to the year 2005. That is it. Further on it dwells upon the "organization of military reform," "the powers of state authorities," and so forth. Moreover, many provisions of the draft either echo the articles of other laws (for instance, "On Defense" and "On Military Duty and Military Service") or propose amendments to existing legislation. Interestingly, in particular the draft calls for manpower acquisition for the armed forces to take place by conscription during "the period of carrying out military reform," (that is, until the year 2005) which runs counter to the presidential edict on switching to a professional armed forces as early as the year 2000. Finally, according to the author, the military reform is to be "carried out on the basis of a single concept of military organizational development." That is, on the basis of what does not exist in nature. This is where the most interesting things begin.

"The drafting of this concept should be entrusted to the Military Council of the Russian Federation, whose operation is to be regulated by federal law," Rokhlin's explanatory memo says. This same council is also tasked with "coordinating and supervising reform." The draft law on the Military Council (only five pages long) is attached.

Although, according to the draft the Military Council is "an agency of the supreme commander in chief," it "makes decisions on defense and security matters" that are "binding on all ministries and agencies under whose jurisdiction there may be armed forces, other military units, and military agencies of the Russian Federation." Incidentally, by Rokhlin's estimates, there are more than 20 of them. The chairmanship of the council is reserved for the president. His deputies are the premier and the Security Council secretary. However, "if the president consents to have Military Council meetings held in his absence, the functions of chairman shall be fulfilled..." Not by the premier, but by the Security Council secretary. The president is left the right to rescind Military Council decisions and to submit for its consideration his versions of these decisions. Only in the event of "the need to take emergency measures to ensure the defense and state security of the country" will the president be entitled "to make a decision on his own to be subsequently submitted to the Military Council for consideration."

Apart from the president, premier, and Security Council secretary, the council also includes the first deputy prime minister "responsible for taking measures to ensure the defense of the country and state security" (even though we have no such person), the heads of the executive branch agencies in whose jurisdiction there may be the armed forces and other troops, foreign intelligence and security services, the defense industry, foreign affairs, the chief of the General Staff, representatives of the presidential staff to be nominated by the president, the general inspector and secretaries of the Military Council. The last two categories of Military Council members are specially mentioned in the draft.

Military Council secretaries are deputies to the Security Council secretary on military organizational development; the coordination of the operation of the armed forces and other troops for the purpose of ensuring defense; coordination of efforts to ensure the security of the state; military-technical policy; the social protection of military servicemen, and personnel matters. The general inspector supervises the operation and the state of combat readiness of the armed forces and other troops and military agencies. For the purpose of assisting him a general inspectorate is to be set up at the Military Council's secretariat. Apart from the military inspectorate, the other "main executive agency" of the Military Council is the General Staff (!).

Should this law be enacted, the secretary of the Security Council will receive limitless authority. It is not so much coordination of the efforts of the power agencies, which has long become overdue, than (given the supreme commander in chief's actual capacity to act and the president's overcrowded work schedule) essentially the "pulling" of all the power structures, first of all, the armed forces, from under him.

However, these draft laws as they stand now are unlikely to reach even the first reading at the State Duma. Eduard Vorobyev, member of the Defense Committee, told your KOMMERSANT-DAILY correspondent that they are currently being finalized, including their sections on the authority of the Security Council secretary in the Military Council (by the way, it cannot be ruled out that the agency itself will have a different name, the Military Committee). Vorobyev found an elegant way of putting it: He pointed out the need for bringing the draft laws in line with the statute of the Security Council, which has been approved by the president. In this particular case, however, the issue appears to be elsewhere.

The Soviet Army was not simply an element of the system that existed in the country, it was one of its foundations. The breakup of the system has given rise to numerous problems. One of the most difficult has come to be the problem of changing the internal and external image of the armed forces in line with the changing circumstances. The complexity of reforming the military organism was further compounded by the fact that in any country the armed forces are an utterly conservative organization. Only in periods of turmoil does the military begin wavering back and forth, going over to the revolutionaries or reformers and setting their demands to the new regime. The switch to a market economy was bound to have a negative impact on the Soviet Army, which was absolutely unprepared for it. Furthermore, the state was so much preoccupied with finding solutions to political and economic problems that it had no time to get down to resolving those of the military. Probably it was all for the better because a hasty reform could have lead to something that is much worse than what we have today. But precisely at this stage the authorities should finally realize that an armed forces cannot be organized to suit a specific person or a specific branch of power, be it the Supreme Soviet or the Security Council. The armed forces should not only be in line with the country's economic capabilities, as well as explicit and clearly formulated priorities in domestic and foreign policies, but — even before proceeding with reform — it should know whom it defends and for the sake of what.

Russia: Saratov Region Training To Protect Nuclear Facilities

LD1807100196 Moscow ITAR-TASS in English 0954 GMT 18 Jul 96

[By Sergey Mikhailov and Revokat Kozmin]

[FBIS Transcribed Text] SARATOV, July 18 (Itar-Tass) — Ten-day Atom-96 exercises started in Russia's Saratov region to check how well nuclear and other facilities with fissionable materials are protected, Itar-Tass learned on Thursday.

Itar-Tass did not get a direct answer to a question of whether the exercises are connected with possible acts of terrorism by Chechen separatists.

The exercises "are of a planned character," Itar-Tass learned at the regional Federal Security Service department. Their aim is "to check the facilities vulnerable against subversive activity industrial and power generating which can pose a threat to the environment, as well as to work out efficient measures for further enhancing of their protection."

Federal Assembly

Russia: Duma Deputies Comment on Rodionov Appointment

LD1707150696 Moscow ITAR-TASS World Service in Russian 1245 GMT 17 Jul 96

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 17 July (ITAR-TASS) — The new defense minister, Igor Rodionov, "has a high theoretical training and a gift of foresight and analysis and good contacts with people." This is how Valentin Varennikov, chairman of the State Duma committee for affairs of veterans, described the new minister in an interview with an ITAR-TASS correspondent. He spoke highly of this presidential appointment, adding that he has known Rodionov for 20 years, including in Afghanistan. Varennikov said that Gen. Rodionov "was the best commander" of the military contingent in Afghanistan. According to the chairman of the committee, he was a brilliant commander of the Transcaucasian military district.

Aleksey Arbatov, deputy chairman of the Duma Committee for Defense, has a different view. "I opposed Igor Rodionov's candidacy," he has told the ITAR-TASS correspondent. According to him, the president had a better choice in the persons of such commanders as Andrey Nikolayev and Valeriy Mironov in particular. "But now that the president has taken the decision, this choice should be respected and whatever is necessary should be done, including by our chamber, to help the new minister cope with his tasks," Arbatov stressed. According to him, the reform of the armed forces will be the most difficult task before the new minister.

LDPR [Liberal Democratic Party of Russia] leader Vladimir Zhirinovskiy has expressed full support for the presidential decision. He said this at a news conference at the Duma.

The Communists faction in the State Duma welcomes Igor Rodionov's appointment as the defense minister. "Rodionov is a highly qualified and energetic general, a man of principle," Valentin Kuptsov, the faction's deputy chairman, has told an ITAR-TASS correspondent. He noted that "the level of professional training of Gen. Rodionov is well known, especially as he has been entrusted to head the general headquarters academy."

Kuptsov described Gen. Rodionov as "an honest and decent man, who will manage to solve the problems the army is facing."

Russia: Seleznev Suspected of Spending Duma Funds for Party Needs

LD1807082096 Moscow ITAR-TASS in English 0730 GMT 18 Jul 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW July 18 (ITAR-TASS) — The parliamentary group Russian Regions has demanded that State Duma Chairman Gennadiy Seleznev should supply complete information to the Duma before the end of the current session about the financial, material and technical support of its work, says a statement, circulated at the Duma today by Chairman of the Russian Regions Group Vladimir Medvedev.

Now even the payment of travelling allowances has been stopped, the number of extended parliamentary hearings has been reduced, the Duma's automobile transport service has been brought to a standstill, and the debt on paying the rent and paying wages to assistants of the MPs in their constituencies is growing.

Other Duma members also expressed concern over the financial situation of the lower chamber of the Russian parliament. Ex-Duma Speaker Ivan Rybkin maintains that the money, allocated by the state for keeping the Duma working, was spent on the electoral campaign of the communist group, of which Seleznev is a member.

Russia: Federation Council Says Budget Performance Unsatisfactory

LD1707204096 Moscow ITAR-TASS in English 1807 GMT 17 Jul 96

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, July 17 (ITAR-TASS) - The Federation Council said on Wednesday after hearing a report by a federal auditing agency that Russia's budget performance in January - June 1996 could not be deemed satisfactory.

Federal revenues over the accounting period were 139.3 trillion roubles (slightly over 27.3 billion dollars), or 40.1 percent of the yearly budget, Counting Chamber head Khachim Karmokov told the house.

Revenues held a lesser share in the gross domestic product than it had been budgeted for the period, Karmokov said linking it to "unbalanced economy, the crisis of nonpayments and other negative factors."

Tax revenues were about 24 trillion roubles (4.7 billion dollars) below planned and a certain increase in some of them was caused by inflation, he said.

Russia: 'Our Home' Leader Blames Duma for Blocking Reform

LD1707132196 Moscow INTERFAX in English 1019 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (INTERFAX) — The State Duma is obstructing the normal procedure for discussing draft laws aimed at promoting economic reform, leader of the Our Home is Russia faction Sergey Belyayev said at a briefing Wednesday.

As an example he referred to the draft laws on mortgage and on the list of mineral deposits which can be used on the basis of the production-sharing principle.

Both of these drafts are aimed at attracting additional investments to the Russian economy, he said.

He also said that Prime Minister Viktor Chernomyrdin had recently sent a letter to the State Duma to remind the deputies that the government had sent 50 draft laws of priority importance to the State Duma.

Belyayev believes that following the formation of a government, President Yeltsin in accordance with his election platform "must set a program for the State Duma work." The Duma's work schedule must be changed in line with this program, he said.

"The president, who has won the elections, and the government must set the main guidelines for the lawmaking process, while the State Duma must work on priority draft laws instead of amending laws of secondary significance," he said.

By obstructing the government-proposed draft laws, the State Duma will "create conditions for its constitutional disbandment," he warned.

Regional Affairs

Russia: Chernomyrdin: Military To Continue Force Against Chechens

LD1707174996 Moscow NTV in Russian 1500 GMT 17 Jul 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] A routine meeting of the state commission for settling the situation in the Chechen republic began in the government house this afternoon. Security Council Secretary Aleksandr Lebed attended it for the first time. The new Director of Russian Counterintelligence Nikolay Kovalev and Finance Minister Vladimir Panskov joined the commission under presidential decree.

The planned meeting was dedicated to the results of the implementation of the presidential plan for settling the conflict in the first six months of the year and to drawing up a new program for the last six months of the year.

Opening the meeting, the prime minister stressed that over the past six months an anti-constitutional regime threatening the territorial integrity of Russia had been eliminated. In the opinion of the chairman of the government, active combat operations are no longer being waged in the republic. The opposing side is guilty of exacerbating the situation. It, despite the peace agreements signed in Moscow and Nazran, is the first to carry out provocations. Chernomyrdin said that all of this showed once again the cynicism and cruelty of the leaders of the illegal armed formations and their inability, including Zelimkhan Yandarbiyev's, to control the actions of their fighters, end of quote.

Judging from what the prime minister said, peace is still far off in Chechnya. The federal troops will still clear villages and check passports, using all necessary means for this. But now, the federal troops call special operations active combat operations.

[Begin Chernomyrdin recording] Peace will not come by itself. It is not coming, and we know what the price is for our mistakes, for our omissions, what lies behind this, and who pays for this. A great deal of work is needed, serious work. Force will be required, yes, will be required, for some in the ranks of the opposing side. This will happen, therefore, within the framework of the active legislation of the Russian Federation, the federal forces will, as before, put a resolute stop to the attempts to execute bandit attacks, terror, and violence against the peace process. [end recording]

The head of government assessed positively the results of the elections of the Russian president and national assembly held in the republic. Moscow still supports the present Groznyy authorities and considers the Doku Zavgayev administration to be legitimate. Chernomyrdin said that the choice of the population of the republic is evident confirmation of the correctness of the policy of federalism and of Russia's integrity.

Acting Defense Minister Mikhail Kolesnikov represented the ministry at today's meeting. Colonel General Igor Rodionov, who was appointed minister today, will most likely take part in the next meeting. [passage omitted]

Russia: Chernomyrdin Says Chechen Leaders Cannot Control Extremists

LD1707190596 Moscow ITAR-TASS in English 1827 GMT 27 Jul 96

[By Nadezhda Anisimova, Gennadiy Yezhov and Natalia Kosareva]

[FBIS Transcribed Text] MOSCOW, July 17 (Itar-Tass) — The State commission on the Chechen settlement which met on Moscow on Wednesday, summed up changes achieved in Chechnya since the beginning of implementation of Yeltsin's peace plan for the republic and produced a blueprint for keeping the settlement process on track in the second half of this year.

Prime Minister Viktor Chernomyrdin who presided over the meeting stressed that the only basis for past and future action, the President's peace plan, has already yielded certain political, military, and foreign political results.

"We have succeeded in neutralizing the unconstitutional separatist regime whereby the threat to Russia's territorial integrity was significantly diminished," the Prime Minister said.

On the military aspect, Chernomyrdin pointed out that the federal troops "succeeded in destroying the principal military potential of the illegally armed formations," although he conceded that Russia had had to pay a great price for the progress in scaling down military operations.

He said the Chechen people demonstrated full support of the Russian constitutional system by voting overwhelmingly for Boris Yeltsin in the presidential election. "It means that most of the population are supportive of the federal mechanism which regulates the relations between Russia and Chechnya, Chernomyrdin said.

"The major obstacle to further progress is the vicious circle in which peace talks alternate with outbreaks of fighting," Chernomyrdin noted. "Implementation of the accords signed in Moscow and Nazran has not been foiled, but it is still under threat," he said.

The Prime Minister said the vicious circle pointed to Chechen separatist leader Zelimkhan Yandarbiyev's weakness and inability to fully control the rebel forces. Recently, "the situation (in Chechnya) exploded because of the resumption of combat actions by the illegally armed formations and of criminal terror by gangsters who are not controlled by anyone," Chernomyrdin said.

"All this is proof of the inability of the Chechen separatist leadership, including Yandarbiyev, to control the extremist and terrorist groups," he added.

With this in view, the Commission proposed involving all political forces in the Chechen republic in dialogue on the settlement of the crisis.

The Commission approved a plan for financing a number of expedient social and economic restructuring measures, agrarian reform and restoration of the educational system in the Chechen republic.

The plan for financing Chechnya during the period from June through August was fully supported by National Security Council Secretary Aleksandr Lebed who earlier spoke sharply against providing any funds to Chechnya before the end of armed hostilities on its territory. He showed special interest in the additional sources of financing mentioned by speakers.

The tough speaking general looked content when Prime Minister Chernomyrdin stated that "the reaction of the federal authorities to terror and assaults by the militants will be immediate and adequate."

Russia: Yandarbiyev Spokesman States Defense Committee's Position

LD1807123996 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 18 Jul 96

[FBIS Translated Text] Chechnya — A meeting of the armed opposition's defense committee ended in the republic this morning.

According to Movladi Udugov, official spokesman for Yandarbiyev's government, the resolution adopted at the meeting is not intended for the public. He did, however, made public some of its provisions.

[Begin Udugov recording] The Chechen side states that it refrains from retaliatory wide-scale military actions and will strictly abide by the Kremlin and Nazran agreements, while reserving the right to retaliate against any armed provocations on the part of the occupying Russian troops and gangs made up of Russian servicemen, in every instance of violations of the Kremlin and Nazran agreements.

In addition, in its statement the Chechen side stresses that it believes it is necessary to raise the status and the role of the OSCE [Organization for Security and Coopeartion in Europe], not just as a mediator, but also as a guarantor of compliance with the agreements, or to invite the UN organization to join the peace process as a mediator and guarantor. [end recording]

Russia: Yandarbiyev's Statement Unties Hands of Federal Forces

MK1807121096 Moscow KOMMERSANT-DAILY in Russian 18 Jul 96 pp 1, 3

[Report by Dmitriy Kamyshev: "Yandarbiyev Declares Himself a Kamikaze"]

[FBIS Translated Text] According to Ruslan Martagov, press secretary of the Chechen leader, overnight from Tuesday to Wednesday [16-17 July] Zelimkhan Yandarbiyev appeared on an underground TV channel broadcasting from Chechnya's southern regions, declaring his refusal to conduct any negotiations, at any level, with the republic's pro-Moscow government or federal forces. Furthermore, the separatist leader called on the Chechens to "eliminate the members of the government of the Chechen Republic, supporters of this government, and all Russians living in the republic," and also to "wage war until the victorious end."

According to Ruslan Martagov, who was contacted by your KOMMERSANT-DAILY correspondent, Yandarbiyev went on the air using the ORT [Russian Public Television] frequency, overlaying its programs. The Groznyy residents did not see the separatist leader himself (the broadcasting zone of Dudayevite TV covers mainly the republic's southern areas) but they very well heard his words about the "elimination of Russians" and "war until the victorious end." Martagov believes that Yandarbiyev's statement points to his aspiration to shift the conflict into an interethnic gear; it produced a real shock among those who heard it (the majority of the population of the Chechen capital is constituted precisely by Russians). Even compared to the sharp anti-Russian rhetoric by Gen. Dudayev, who did not mince words, the statement by his successor appears unprecedented. The Dudayevites never concealed their hatred of the Doku Zavgayev "puppet government," calling for "the traitors of the people to be destroyed." They also refused to negotiate with Moscow, which they often accused of scuttling peace talks. Yet it takes either a madman or a kamikaze to call for all "Russians in Chechnya" to be killed: Even the "ferocious Dzhokhar" did not say that. Dudayev's successors, if they have any ability to think ahead, must realize that such statements, first, will finally untie the hands of the military, and second, will provoke an anti-Chechen backlash in other areas, primarily in the south of Russia.

Nor is it clear why Yandarbiyev's statement did not contain threats — so loved by the Dudayevite — to stage terrorist acts in Russian cities: If the separatist leaders have indeed decided to put everything on the line, precisely this — not the threat of a genocide of the Russian population of Chechnya, already left to the mercy of fate — might intimidate Moscow officialdom (if it can be intimidated in the first place). Apparently the Dudayevites, despairing of taking the upper hand in the conflict by military means, hope that the mere declaration of "gazavat" [holy war] will cause panic among "Chechen Russians," and Russia will simply get choked in the stream of refugees.

True, from the point of view of Islam, it is not quite correct to describe Yandarbiyev's threats as gazavat. First, only a spiritual leader may declare a holy war against infidels, which "the president of Ichkeria" (unlike, for instance, the legendary Imam Shamil) is not. Second, the main target of "neo-gazavat" will not be Russian civilians (casually mentioned in the statement), but members of the Zavgayev government and their sympathizers, while declaring Chechens infidels on the mere grounds that they accept Zavgayev, not Yandarbiyev, as their leader is a clear deviation from the Koran. This must be why the separatist leader himself refrained from mentioning a holy war — which would have been only logical, "sanctifying" his calls only by reference to the opinion of the Dudayevites' purely secular State Defense Committee.

It is not difficult to predict the reaction to Yandarbiyev's challenge by Moscow officialdom: As they say, if this statement had not been made, it would have been made up. Even so, the latest exacerbation of the situation in the republic could not have possibly produced a different result: It would be difficult to expect that after a large-scale offensive by the federal forces the separatists would want to continue negotiations. On the other hand, now the military, already determined to ensure "an ultimate solution of the Chechen question," will no longer have to strain propaganda minds in order to justify the artillery bombardment, because the slogan

"Crush the vermin!" could finally become official. And each terrorist act committed by the Dudayevites in Chechnya or outside will only go to confirm its validity.

Yandarbiyev's statement is bound to add to the workload of Internal Affairs Ministry and Federal Security Service [FSB] agencies. Even if the separatists, heavily battered in the last few days, do not have enough forces for mass terror, they will probably manage to stage a dozen or so resounding acts — for instance, do a little shooting in a southern Russian town or at least take along with them as many of the "Zavgayev people" as possible to meet with Allah [prikhavtit s soboy k Allakhu]. Therefore the relevant agencies will apparently have to prepare a safe bunker for the head of the republic. True, the ordinary Russian citizens of Chechnya or the North Caucasus can hardly count on such assistance.

Russia: Tatar President Withdraws From Chechen Talks Participation

LD1707134596 Moscow INTERFAX in English 1328 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (Interfax) — President of the internal Russian republic of Tatarstan Mintimer Shaymiyev has said that he does not intend to participate in talks on a settlement in Chechnya.

"I have learned that the Russian leadership does not have a common approach to the Chechen problem and I do not want to participate in it anymore," he told Interfax on Wednesday.

In the spring Shaymiyev said he was prepared to act as mediator in the talks between Moscow and Chechen separatists.

He said that Moscow's policy in Chechnya is defined by security and law enforcement ministers who "willingly misinform" Russian President Boris Yeltsin about the real situation in Chechnya.

These ministers tell the president that the Chechen problem can only be resolved by force, Shaymiyev told Interfax.

Although he will not take part in the talks, he is confident that it is necessary to continue talks on the conflict's peaceful settlement despite the resumed fighting.

Russia: Chechen War 'Becoming Uglier and Uglier'

MM1807095396 Moscow IZVESTIYA in Russian 18 Jul 96 pp 1-2

[Report by Valeriy Yakov: "Special Operation Against Peace in Chechnya. IZVESTIYA Correspondent Valeriy Yakov Reports From the Spot"]

[FBIS Translated Text] Groznyy — For three days running there has been a rally of Chechen women in front of Government House in Groznyy calling for an end to the mass killing of peaceful inhabitants of the republic. Yesterday the refugees from the villages of Gekhi, Makhkety, and Staryye Atagi were joined by the residents of Groznyy. They are insisting that the federal command and the local authorities name those who on the night of 15 July shot 12 people in the city streets.

Events of recent days in Chechnya are becoming stranger and stranger. The federal authorities, who just a couple of weeks ago were pacifying the public with their peacemaking aspirations, are now issuing sterner and sterner statements with every passing day. Fair enough, if that severity were limited to microphone tirades. Unfortunately, in practice it is spilling over into numerous daily casualties among the civilian population. As confirmation I would merely recall the chronicle of the past week.

First there was the operation in Gekhi. A few days later, after the victorious second round of the election, when the authorities no longer had any need to make a point of demonstrating their love of peace to the electorate, the village of Gekhi was blockaded by federal troops. The reason given was the usual one that has been repeatedly used during this war — a detachment of gunmen was allegedly entrenched in the village. The method used to combat that detachment was also pretty traditional — the surrounded village was fired upon by all kinds of weapons, with artillery and aircraft being actively employed. The result was that it was as if the gunmen had disappeared into thin air — but 19 corpses of civilians were left lying on the streets of the village. Another 70 people, including many women and children, have been wounded, and more than a third of the village has been destroyed.

Two days later the troops blockaded the village of Makhkety. The official reason given was virtually the same — the village allegedly housed Yandarbiyev's headquarters. Once again all kinds of weapons were used, including artillery and aircraft. According to the official version, the operation was extremely successful — the headquarters was destroyed, Yandarbiyev and Maskhadov are off the air, and at least 300 gunmen in the village were killed (many of whom were wearing the uniform of Afghan mojahedin, having correspondingly arrived from abroad to provide reinforcements). In other words, the military commanders were able to boldly put themselves in line for honors while the border guards prepare to explain how they let a detachment of mojahedin slip through their fingers. In actual fact things are not all that romantic — not only journalists, but locals too failed to see those 300 killed gunmen. On the other hand, the 24 peaceful villagers killed included nine men and 15 women, and 150 homes were totally destroyed. This successful operation was followed by an air attack on Staryye Atagi. There a "surgical strike" wiped out another "strategic target" — Yandarbiyev's father's home. Admittedly, missiles hit another six homes, but it was a miracle that Yandarbiyev's mother and her neighbors survived.

At the same time, troops following this extremely convenient plan for the military commanders launched air strikes 15 and 16 July against Shil, Shalazhi, Vedeno.... It was as if the president had not banned the use of aircraft in Chechen population centers; it was as if he had not stated to the TV cameras that every shot fired would be investigated. The TV report on Yeltsin's meeting with Gore, at which the Russian president talked of his adherence to a peaceful solution to the crisis, was seen here in Chechnya as a blatant insult in the context of daily bombings, shelling, and casualties. Or in the context of the constant deaths not only of "evil Chechens" but also of soldiers dreaming of their promised discharge — more than 70 Russian mothers have lost their sons during the so-called truce alone. Or in the context of the stern statements by Internal Affairs Minister Kulikov, who modestly keeps quiet about the mass killings of civilians. On the other hand, in the best style of the former security officer Barsukov, he reads out on TV allegedly intercepted communications between separatists in Groznyy and terrorists in Moscow. And the capital's public was relieved to learn that the Chechen's poor batteries had saved Moscow from further explosions. Just as well that in their villages they cannot see the advertisements for longer-lasting Duracell batteries.

The formation of the image of the Chechen as enemy is proving even more successful with these pretrial revelations by the minister. But who in the wake of this will count the civilians being killed every day in mountain villages — after all, these citizens are Chechens, even if some of them are Russian.

Yesterday's killing in a Groznyy suburb of 12 people simultaneously has produced a huge wave of anger in the republic. According to Chechen Vice Premier A. Bugayev, the leadership of the federal grouping initially stated that a group of Groznyy residents in two cars had ambushed Russian armored personnel carriers. But then when it transpired that no weapons were found in the burned cars or beside the bodies, the federal authorities went silent, citing the secrecy of the investigation. They spoke openly only about the medieval barbarity of the Chechens, who cut off their victims' ears. Clearly, this was a reference to the scandalous TV coverage by Nevzorov, in which he savored the "heroism" of Russian contract servicemen who were carrying severed Chechen ears in their pockets.

I asked republic Prosecutor Vakhid Abubakarov to comment on this tragic event. He said that he got the report of the killing of 13 people yesterday evening. It was obvious from the report that the killing had been carried out by federal troops. Given this, Abubakarov immediately contacted Military Prosecutor Igor Shevchenko and suggested that they both go to the scene. The military prosecutor promised to phone back, and actually did so an hour later, unexpectedly stating that there was no point in going there since the Internal Troops, taking the curfew into account, had used their weapons properly.

I do not understand how the military prosecutor can manage to reach that categorical conclusion within one hour and without traveling to the scene of the incident.

The servicemen and the prosecutor failed to take account of the fact that one of the 13 men survived, even though the federal troops dragged him out of his car, paying no attention to the fact that his leg was in plaster, and then, having shot the others on the spot, cut his throat — allegedly to "spare the cripple any suffering." The cars were then torched, and some of the corpses had their ears cut off.

The republic's Prosecutor's Office has now been forced to hide the only surviving witness of the crime, fearing that the federal troops will try to grab him in an attempt to save the honor of the Internal Troops. The personal intervention of the Russian general prosecutor, to whom Abubakarov appealed, forced the Military Prosecutor's Office to take action.

This morning the republic's prosecutor received a new report — this time from Achkhoy-Martanovskiy Rayon. There, near where federal troops are located, three bodies of beaten local residents were discovered in a thicket. The federal troops permitted Prosecutor's Office workers to look into it and gather them together only after long negotiations. But there was no mention of finding the culprits here in a combat zone.

This already cruel war is becoming uglier and uglier at this latest stage of activity. Gangs of armed terrorists, avoiding direct clashes with troops, are kidnapping people from Groznyy in broad daylight for subsequent ransom. Not only protected civil servants but even simple defenseless citizens are now disappearing. Girls particularly often. The terrorists are increasingly frequently mining the roads — but it is not so much their enemies, the federal troops, that are being blown up as chance passers-by.

For their part, the federal authorities are carrying out one punitive operation after another and are no longer burdening themselves with any convincing arguments for their cruelty. All the more so as Moscow leaders are not shy of making stern threats. Even General Lebed, on whom all Chechnya had been pinning its last hopes for peace, has acquired strikingly quickly the Kremlin style of making stern assessments at second hand. Without having visited Chechnya or seeing the real results of "restoring constitutional order" or listening to the residents of a single destroyed village or talking to exhausted boy soldiers who cannot wait to be discharged, the general is calling for extreme cruelty and justifying the position of the federal authorities to which he now belongs himself. In the wake of this, is it worth counting on the new Security Council secretary flying to Chechnya with a peace settlement that will finally end the punitive operations? On the contrary, it is more likely that the federal troops' front-line experience will gradually be pressed into service by Moscow bodyguards to enforce another crime-fighting edict. After all, it is no accident that the capital's authorities are starting to use the term "sweep." The next method in line could be "blockades." What needs to be done in order to finally deal a serious blow against the "Solntsevo grouping," for instance? You need only blockade Solntsevo and carry out a "surgical strike." Using all kinds of weapons. The grouping will survive, of course, but the masses will learn a lesson. And the military leaders will get awards.

Russia: Support for Yeltsin Seen Growing in Amur Oblast

MM1807103996 Moscow ROSSIYSKIYE VESTI in Russian 16 Jul 96 p 2

[Report by Nikolay Belyy: "In Amur the Left Wears a Frown"]

[FBIS Translated Text] Blagoveshchensk-na-Amur — The Russian presidential elections, which caused feelings to run so high in the regions, will soon be history. The Amur region's left-wingers, it would appear, will never recover from the shock that they inflicted on themselves. They are tormented by the faded laurels of their party idol, "Uncle Zyu." It is particularly galling for the Left that in the second round Zyuganov polled the most votes in Central Amur. The results of the 3 July ballot in Amur Oblast were the exact opposite of the results for Russia as a whole.

In their local publications the left-wingers are trying to justify themselves by belittling the significance of Yeltsin's victory in every possible way and disparaging the choice of those Amur inhabitants who voted for the president and the reform course. Hiding themselves behind the plural "we," these diehards have now begun to scare citizens by saying that they will soon feel the results of the elections to their own cost. While shedding crocodile tears over the results of the 3 July ballot, the Zyuganovites are at the same time forced to face facts. AMURSKAYA PRAVDA, the mouthpiece of Amur's neo-Bolsheviks, says disappointedly and with sorrow that there is no understanding Russia, and then immediately puts the eloquent question: Why have we said "yes" to Yeltsin again? "We," of course, is a figure of speech here. They, of course, were dead against Yeltsin. Though Amur Oblast remains on the whole a politically and socially depressed region, the only one in the vast expanses of remote Russia in which pro-Zyuganov feelings prevailed.

Whether willingly or reluctantly, the paper acknowledges that the reason for Yeltsin's success was that he managed to split society, in which a middle class has appeared. It was this new social stratum that decided the outcome. And another conclusion: Yeltsin, who was a long way behind Zyuganov in the polls at the beginning of the election campaign, managed, in the Left's opinion, to pull off a dramatic political revival and win over not so much his own supporters, since it was not necessary to galvanize them, as the waverers, who finally tipped the scales in his favor. This proved beyond the capabilities of Zyuganov and his team, the paper complains.

While acknowledging something that, however, it was impossible not to acknowledge, the leftists in the local press endeavor to keep quiet about something else. To wit: The Amur region today is not quite the "claret-colored" territory that some people in the territory itself and elsewhere would like. In the second round Yeltsin increased his vote here far more than Zyuganov. Although the agrarian rayons, where reform has for several years been openly and secretly obstructed, were behind the country's chief Communist, many industrial centers in the region backed the nonparty president. In the decisive round Yeltsin was supported by the Baykal-Amur Railroad capital of Tynda; the city of Zeya, center of the Far East's hydroelectric power industry; the city of Svobodnyy, former capital of BAMlag [Baykal-Amur Railroad Prison Camp]; Blagoveshchensk, the current capital of Amur Oblast; and the "Svobodnyy" space center, where around 70 percent of voters — mainly servicemen — voted for the current head of state. Moreover, the inhabitants of Tynda and the entire extensive central section of the Baykal-Amur Railroad voted for the victorious president in both rounds. The trend is obvious, and means just one thing: The social base of those who would like to reverse the wheel of history is shrinking in Amur year by year and day by day, shriveling up like shagreen. Now that the political guarantees of renewal have been upheld, there is a chance even here, on the banks of the Far East Mississippi, as they call the Amur, to move the reforms forward and achieve economic and social results that are currently mere predictions in the region. If these results are achieved, the last Red stronghold in the Russian East will not hold out. If not, there will be, as now, plenty of work for the local Shvonders [scientist in Bulgakov's "Heart of A Dog"], for wherever you find the lumpenproletariat, there is a Shvonder.

Having passed through two long stages of presidential elections Amur Oblast is being dragged virtually without any political intermission into a new election race. According to the decision of the oblast council, the inhabitants of the region are to elect their new governor in a couple of months — 22 September. The sixth governor in the past five years. Deputies delivered this verdict almost immediately after the president, on the eve of 16 June, appointed a new head of Amur Oblast Administration, dismissing the previous head for financial transgressions. The registration of various action groups in support of the candidates for the top post in the regional executive has already began. Many candidates are expected. Among the competitors for the coveted provincial post are figures of various political sympathies, including, as has become a tradition not just in the Amur region, adherents of the Red theory and the practice of taking away and sharing out.

Russia: Maritime Territory Sends Letter to Lebed on Energy Crisis

LD1707173596 Moscow INTERFAX in English 1623 GMT 17 Jul 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] The Maritime territory, Russian Far East, administration sent a letter to Lebed on the energy crisis in the territory.

The interruptions, some as long as 18 hours, of energy supply can disable the military installations there and harm the Russian national interests, the letter says.

The cause of the interruptions is acute shortage of fuel oil which is added to local low quality coals to make fuel for power stations. Maritime territory's power stations cannot buy fuel oil because they have not received billions of rubles due them from the national budget. The fuel suppliers refuse to send fuel on credit.

Territorial vice-governor Valentin Dubinin told Interfax that the last reactor of the Maritime Thermal Power station which supplies most local consumers has been shut down while Heat Electric Generating Plant 2 can operate just two days on the fuel oil it has.

The energy crisis in the territory is approaching its climax, he feels. Unless fuel oil reaches the territory shortly, all energy consumers will be paralyzed, he said.

Because of shortage of energy in the town of Nakhodka, the sewage system is disabled and sewage waters rose to the surface while dairy factories in Vladivostok ceased operation and the ice boxes are thawing, Dubinin said.

The local residents are inclined to accuse the Moscow and local authorities who are said not to care for the people, once the elections are over. "Our explanations cease to impress them," he said.

Trains may stop any moment now. "We are keeping the railroad operational at all costs for two reasons. First, fuel oil may reach us on it. Second, a stoppage of the Trans-Siberian Railroad may result in unpredictable consequences," Dubinin said.

The calls for help sent to the president, the government and the Russian Security Council have not been answered, he said.

Whatever happens, the bases of nuclear submarines, air defense command posts and surgeries in hospitals and maternity wards are kept supplied, Dubinin said.

The Pacific Fleet command understands the problems. Wherever they could, the navy units use stand-by diesel stations, he said.

An official in the fleet's press center told Interfax that energy has never been cut off in installations which keep the fleet in combat readiness.

Economic Issues

Russia: Chernomyrdin, IMF Deputy Chief Discuss Stabilization

LD1707121796 Moscow INTERFAX in English 1151 GMT 17 Jul 96

[FBIS Transcribed Text] MOSCOW, July 17 (INTERFAX) — Russian Prime Minister Viktor Chernomyrdin and Deputy IMF Executive Director Stanley Fisher met in Moscow on Wednesday to discuss the Russian economy and implementation of the IMF-set stabilization plan.

Speaking afterwards, Fisher described the meeting as a good exchange on the prospects of implementing the IMF plan to curb inflation and cut budget deficit which, he says, Russia is coping with very well.

He said the pace of cutting inflation rates was even in excess of the IMF-set parameters. Fisher said other measures on stabilizing the overall economic situation in Russia would be discussed soon as well.

He is confident about the Russian government's ability to carry the plan through.

On Chernomyrdin's Tuesday statement saying that part of the IMF-set macroeconomic indicators for this month and next would be fulfilled with minor deviations, Fisher said these would be harder to meet than curbing inflation or the budget deficit.

Chernomyrdin also informed the IMF official that the new government would have a cabinet minister for monitoring tax revenue issues, a government source said.

Russia: Kadannikov Says Foreign Reserves Down $4 Billion, Deficit Up

MM1807082796 Moscow IZVESTIYA in Russian 18 Jul 96 p 2

[Report by Anatoliy Stepovoy: "Wholesale Tax Evasion"]

[FBIS Translated Text] Russia's foreign reserves have fallen by $4 billion (a factor of 1.9), First Vice Premier Vladimir Kadannikov announced in a speech to Federation Council members 17 July. Implementation of the revenue side of the federal budget was 87.7 percent, while implementation of the expenditure side came to 98.2 percent. The deficit was more than 42 trillion rubles. This is 6 percent more than envisaged.

The greatest damage to the budget, V. Kadannikov believes, has been done by payment arrears and universal tax evasion (particularly in trade and banking).

Russia: Kadannikov Reports on Inflation Rate Slowdown

LD1707112396 Moscow ITAR-TASS in English 1118 GMT 17 Jul 96

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, July 17 (ITAR-TASS) — In the first six months of this year, the inflation growth rate in Russia went down considerably - from 3.8 percent in January to 1.2 percent in June, First Vice-Premier Vladimir Kadannikov told the Federation Council upper house of parliament today.

Kadannikov noted that the rouble exchange rate against hard currency has stabilised and will not "depart far from the assigned lowest level of 5.500 roubles to the dollar" before the end of this year.

One distressing point is that "our net currency reserves dwindled by almost four billion dollars or 1.9 times this year, the depletion particularly noticeable during the (presidential) election campaign," Kadannikov said.

The Vice-Premier did not sound quite pessimistic about the drop, as, according to him, the reduction has not been greater than envisaged by the financial programme for the year.

He said the execution of the federal budget in the first six months of this year was characterized by the following figures: the revenue amounted to 136.3 trillion roubles (87.8 percent of the target) and the expenditure equalled 196 trillion roubles (98.2 percent of the target).

The budget deficit reached 42.9 trillion roubles or 28.4 percent, which is six points higher than planned, he said.

According to Vladimir Kadannikov, "serious concern" is evoked by the formation of the budget resource base, above all the collection of taxes. He said 76.5 trillion roubles were paid towards the budget in taxes in the first six months of this year, which is below the 60-percent plank of the planned target.

As of July 1, the taxpayers owed the budget 65 trillion roubles and Kadannikov declared that "the government can no longer put up with this situation" and has begun to take steps to correct the state of affairs.

Charges will henceforth be imposed on any deferment of tax payment terms and criteria for granting such deferments will be made more stringent, Kadannikov said.

Russia: Deputy Premiers Zaveryukha, Davydov Clash Over Quotas

MK1707123996 Moscow KOMMERSANT-DAILY in Russian 17 Jul 96 p 1

[Article by Vadim Bardin: "Deputy Premiers Dispute"]

[FBIS Translated Text] The struggle in the Russian Government over imposing quantitative limits on imports is growing increasingly acute. Yesterday it came to a direct clash between two deputy premiers — Aleksandr Zaveryukha and Oleg Davydov.

Having found a decision worthy of Solomon with regard to the hottest import items — beer and wine (importation of which will not be limited) and vodka and alcohol (import quotas on which have been firmly promised) — the government went at the entire range of imported food. The plan was conceived by Deputy Premier Aleksandr Zaveryukha, who stated yesterday that there should be quotas covering imports of dairy and meat products, sugar, vegetable oil, and of course chicken quarters. Zaveryukha announced that the topic of quotas had been discussed at a meeting of the Gore-Chernomyrdin commission.

Unlike the memorable "Bush legs" story, this time around no international scandal resulted. Also yesterday, another deputy premier, Oleg Davydov, gave Zaveryukha an unambiguous answer: "The Russian-American Economic and Technical Cooperation Commission discussed no food quotas." Davydov added that the government does not intend to introduce nontariff curbs "with regard to trade with the United States."

Thus, differences in the government have become public property. What follows? First, Russia is holding aside the weapon of economic sanctions in its dialogue with the United States. The logic, perhaps, being: Why provoke the Americans into retaliatory actions when they have actually showed good will in permitting Russia to chalk up an impressive gain of $1.7 billion in trade with the United State in 1995? Second, public clashes between two deputy premiers signify that at least one of them will soon prove redundant.

The conclusion seems to be plain. In the wake of Boris Yeltsin's win and the reshuffle among his immediate entourage, Aleksandr Zaveryukha's chances to stay on in Viktor Chernomyrdin's new government are not great. But the thing is that the Ministry of Economy backs Zaveryukha in all of his initiatives. And Yevgeniy Yasin, its chief, has been spared discharge more than once through the premier's support. Thus, the argument between the deputy premiers is not over yet.

Russia: Economic Ills May Force Government To Print Money

MM1707135596 Moscow FINANSOVYYE IZVESTIYA in Russian 16 Jul 96 p i

[Article by Yevgeniy Vasilchuk: "Starved Economy Ready To Fling Itself on Printing Presses"]

[FBIS Translated Excerpt] It is already two weeks since the presidential election. The preelection expectations and postelection euphoria have given way to a steadfast feeling of disappointment. In the sphere of the economy and market reforms the country continues to mark time.

Contrary to the rumors that are multiplying with every passing day, the government is in no hurry to publicize the priorities of its future economic policy. The main principles of the formation and makeup of the new cabinet remain unclear. Admittedly, not very much time has passed. But, taking account of the leadership's stated continuity, this protracted interlude is beginning to drag.

President Yeltsin has pointed to the need to shift the emphasis in economic regulation toward ensuring economic growth. Aleksandr Livshits, the president's economic adviser, has made it clear that this will require financial flows to be channeled into productive investment.

But financial flows are rapidly running dry and are stubbornly reluctant to move into production. The burden of wasteful state spending and debts is keeping interest rates at levels that the real sector of the economy is unable to bear. Despite the authorities' efforts, rates are simply refusing to move down. The election results did not impress the financial markets.

Having proprietorially removed competitors from the domestic capital market, the state now intends to lure Western private investors into its web. It should come as no surprise that the titanic efforts made by Russian industrialists, bankers, and civil servants to cobble together half-way efficient financial-industrial groups have, with some rare exceptions, come to nothing.

The creeping banking crisis has been a stab in the back for production. A carve-up of the banks' client base has begun and could have awful consequences. While striving to avoid the worst, the authorities and banking circles are avoiding recognizing the obvious. But the failure of another couple of major banks would spark panic among clients. And then things might be too late. [passage omitted]

The Central Bank clearly lacks any realization that the Russian banks' main problem lies not in the "quality" of certain credit institutions but in the "fragility" of the entire system. Just as, incidentally, it lacks any clear idea of ways of combating this looming catastrophe.

The Bank of Russia's problems pale before the concerns of the government. Tax receipts are not just low but falling steadily month on month. The treasury can barely rake up half the revenue due to it. Electoral spending promises will have to be met. At least 20-30 trillion rubles more will be needed. Within the next two or three months at least.

IMF experts are inclined to put the budget deficit in the first half of 1996 at 10-11 percent of GDP. The strain on the domestic financial market has been such that the only way out of this situation could be to "quietly" print money. If the financial markets never get wind of it, the inflationary consequences of this step will be minimal.

The prediction is that the country will continue to run a very burdensome [as published] trade surplus.

The outlook for the national economy over the next few months remains depressed. Intensive money-supply growth and the stagnation in real production volumes and GDP in April-July rule out any further decline in inflation or a stabilization of the rate at 1-2 percent a month before the end of 1996.

If this happens, a new fundamental economic law will begin to operate in Russia. The honor of discovering it will deservedly belong to the new government.

Russia: Statistics Show Real Earnings Up 9 Percent on Last Year

MM1807105196 Moscow KOMSOMOLSKAYA PRAVDA in Russian 17 Jul 96 p 2

[Unattributed report: "One in Five Is a Millionaire in Russia! Do You Suspect, Reader, That You Are Getting Richer and Richer?..."]

[FBIS Translated Text] According to Russian State Committee for Statistics data, a Russian's average monthly income reached 724,000 rubles [R] in the first half-year. According to the committee's calculations, citizens' real earnings increased 9 percent compared with last year while the purchasing power of pensions increased 7 percent.

But the most pleasing thing is the situation regarding the so-called "scissors," that is to say the difference between the richest and poorest people's incomes. Statistics indicate that in the period from January through June incomes of the richest Russians (10 percent of the population) were 13.1 times greater than the incomes of the poorest. In the first half of last year this figure was estimated at 13.4 times. Whether the rich are getting poorer or the poor are getting richer, the situation is clearly stabilizing.

In addition, the number of millionaires has substantially increased. As of today 30.2 million people receive over R1 million a month, and this is 20.4 percent of the population. Over R2 million is earned by 4.3 million "ordinary Russians."

Nevertheless, 23 percent of Russia's inhabitants (34.6 million) have incomes lower than the subsistence minimum, which is R367,000. The vast majority of them are pensioners.

Bearing in mind the postelection business revival and the expected influx of investment, specialists are forecasting a further increase in the Russian Federation population's incomes.

Russia: Central Bank Issues Statement on Inkombank Audit

MK1707131696 Moscow KOMMERSANT-DAILY in Russian 17 Jul 96 p 5

[Report by the Finance Department: "Situation Over Inkombank. The Bank of Russia Was Very Sparing With Words"]

[FBIS Translated Text] Yesterday, the Central Bank of Russia finally broke its silence and issued a statement on the results of its audit of Inkombank.

The statement says that the data contained in the final audit report and the results of Inkombank's operation during the first six months of 1996 give grounds to conclude that the bank exercises sustainable control over its liquidity, ensures the requisite profitability and reliability in its functioning, and is capable of fulfilling its obligations to investors and other creditors to the full extent. Proof of that is the fact that Inkombank has not delayed payments to its customers. At the same time, according to the Central Bank statement, there have been breaches in the way Inkombank formed its authorized and reserve capital and carried out its operations and book keeping.

Unfortunately, that is all. No other information could be obtained at the Central Bank or Inkombank, although the Central Bank's statement leaves a whole range of questions unanswered. It is worth noting that the Central Bank statement refers to Inkombank's activity during the first six months of 1996, whereas the audit carried out by the Central Bank's Moscow administration covered a longer period. Furthermore, according to the original variation of the audit report, the most serious accounting distortions date back to 1995. It is well known that initially the auditors insisted that after rectifying the accounting distortions Inkombank's capital should be reduced by more than 1 trillion rubles. Later, Inkombank President Vladimir Vinogradov asserted that the figure over which the bank and the auditors could not agree was brought down to 400 million rubles. The statement does not say a single word about whether these differences were reconciled or whether the violations that have been revealed will affect Inkombank's 1995 financial indicators. Finally, it should be noted that the phrasing "breaches in the way Inkombank.... carried out its operations" is extremely vague and leaves too much room for interpretations.

Russia: Official Interviewed on Foreign Debts

MM1807100996 Moscow KOMSOMOLSKAYA PRAVDA in Russian 16 Jul 96 p 1

[Interview with Aleksandr Zhukov, deputy chairman of the Russian Federation State Duma Budget Committee and member of the State Commission for the Foreign Debt, by Aleksey Chukurov; place and date not given: "Russia Under Audit. We Have Been Forced To Spend All New Credits on the Servicing of Old Debts" — first paragraph is introduction; from the "Business Tuesday" section p 1]

[FBIS Translated Text] The condemnation of the government, which has "saddled Russia with debt for the next 200 years," has now become one of the opposition's "trump cards." The Kremlin is responding to this by spiritedly reporting the unprecedented support for it by the West, which is ready to facilitate the reforms and the recovery of the Russian economy by granting new credits together with "unprecedented" deferments in the repayment of old loans. However, the assertions of both sides are at times just myths and legends which have come into being in conditions of total secrecy. After all, the real extent and conditions of our foreign borrowings and Russia's relations with its Western creditors remain "top secret." Aleksandr Zhukov, member of the State Commission for the Foreign Debt and deputy chairman of the Russian Federation State Duma Budget Committee, agreed to talk to KOMSOMOLSKAYA PRAVDA readers about several of these "secrets."

Legend No. 1. About the Democrats Who Borrowed $130 Billion

[Chukurov] How come Russia borrowed sums that it simply cannot pay back?

[Zhukov] Very simple. To preserve our position as a world leader we had to take on the Soviet Union's legacy lock, stock, and barrel. This not only means great power status and an immense amount of property abroad but also a colossal foreign debt.

During the five years of its existence Russia has taken out credit totaling $17.5 billion. Through the efforts of Mikhail Sergeyevich Gorbachev and Nikolay Ivanovich Ryzhkov the Soviet Union amassed the remaining $103 billion over the five years between 1985 and 1990. It is these $103 billion that Russia is not in a position to pay back in full. All payments on the credits that were taken out directly by the Gaydar and Chernomyrdin governments are proceeding without delay. Russia is repaying the credits on time and paying the interest on them.

[Chukurov] To whom are we most in debt?

[Zhukov] The USSR's main creditor was West Germany which granted $22 billion "against the security of Gorbachev." The Soviet Union received a considerably smaller sum from the Italians of a little over $9 billion. France was in third place, having loaned us $4.3 billion. The group of five lenders is completed by the United States and Austria, which loaned the USSR $3 billion each.

Legend No. 2. About How the West Is Prepared To Do Anything for the Sake of the Russian Reforms

[Chukurov] After the signing of the agreement with the Paris Club at the end of April, Government Vice Premier Davydov stated that the Western creditors made unprecedented concessions to Russia in order to show approval for the democratic reforms here and to support Boris Yeltsin. Does this mean that the people meeting at the Paris Club — the organization of the major creditor countries — are not financiers but political patrons?

[Zhukov] Of course not. It is simply that the Western creditors have no worse a knowledge of the state of the Russian economy than our own Finance Ministry. And they understand full well that we certainly cannot at present pay $37 billion — the sum considered by the Paris Club in April — even if we sell all our oil and gold. The West simply had no other option. Therefore, our debt repayment period was extended by 25 years until Russia can afford to pay back the credits with interest.

[Chukurov] Do you mean that Russia will pay $37 billion to countries in the Paris Club in a quarter of a century?

[Zhukov] We will pay back the first sums as early as 2002.. Bear in mind too that the agreement between Russia and the Paris Club is not simply a deferment. Those sums which should be paid now have been turned into new credits attracting high interest. Russia has been granted no "unprecedented preferential conditions" for them. So that on 29 April we not only got a "breathing space" but also increased our foreign debt by $19 billion.

Legend No. 3. Russia Is Owed Even More — All We Have To Do Is To Make Our Debtors 'Cough Up' Our Money

[Chukurov] The Soviet Union not only took out enormous amounts of credit but also granted them to its "friends" all over the world.

[Zhukov] Let us recall who we so generously "sponsored." On the whole poorly developed African and Asian states like Ethiopia and Afghanistan. These impoverished and bankrupt states are not in a position to settle these debts whether we befriend them once again or not.

Aside from this, the majority of credits to the Soviet Union's allies were not commercial but political. For example we provided massive aid to the Sandinistas in Nicaragua, supplying them with military hardware and munitions. But the Sandinista troops were fighting against detachments of Violetta Chamorro's opposition, and she has now become Nicaragua's president. She, of course, says: Why should I pay for weapons which killed my supporters?

[Chukurov] So there is no hope that the Soviet credits will be paid back?

[Zhukov] Not at all, several countries are trying to fulfill their obligations. India is paying and the Near East states of Syria, Algeria, and Libya are repaying their debt to Russia in part.

I estimate that if the Russian Federation even recovers $20-30 billion of the $140 billion scattered all over the world by the Soviet Union, it will be doing very well.

Legend No. 4. About the IMF Credits That We Devour

[Chukurov] What is happening to those loans that Russia took out after 1991? Are they being spent on teachers' pay and the purchase of food?

[Zhukov] There is nothing to spend at all. The fact of the matter is that this year we will pay out approximately the same amount on old credits, including "Soviet" ones, as we receive in new credits. That is, this year's loans will be spent in their entirety on settling and paying the interest on earlier borrowings.

You can see for yourself — the state budget includes 32 trillion rubles [R] which we should receive this year. But Russia will spend almost R29 trillion on interest payments.

[Chukurov] What do you say to all the talk of the West granting tens of billions of dollars "against the security of Gaydar"?

[Zhukov] This is not true; in the first year we were given very little indeed. Gaydar received $3 billion in credits, but they were "tied" to specific projects. The Russian Government has striven in the past and is still striving to "build up" as few loans as possible. At present we have been saddled with a dreadful burden of debts from which we are trying — with some success — to free ourselves. But if the foreign debt increases uncontrollably, for decades to come Russia will be in the position of a third-rate "banana republic" which is absolutely incapable of fulfilling its obligations. It will not then be saddled with debts but doing life in a debtors' jail.

International Affairs

Ukraine: Foreign Minister: U.S. To Maintain Interest in Ukraine

LD1707135896 Moscow Interfax in English 1326 GMT 17 Jul 96

[FBIS Transcribed Text] KIEV, July 17 (Interfax-Ukraine) — Ukrainian Foreign Minister Hennadiy Udovenko is convinced that Boris Yeltsin's victory in the presidential elections in Russia will not weaken the United States' interest in Ukraine.

The United States is pursuing a course in support of Ukraine, Udovenko told journalists after talks with U.S. Assistant Secretary of State Strobe Talbott in Kiev on Wednesday.

Talbott is on a one-day working visit to Ukraine as the head of a delegation of the U.S. State Department.

The negotiations focused on the political and economic situation in Ukraine, the adoption of the new Ukrainian Constitution and an assessment of Ukrainian-U.S. relations, Udovenko said.

Udovenko said Ukrainian-U.S. relations were at a high level. He recalled that the U.S. Congress had this year allocated the greatest aid to Ukraine, some $225 million, out of all CIS states. "And we need more," he said. Currently, the United States is considering Ukraine's request to increase the aid, Udovenko said. "Not only the executive but the legislative power is solving this issue, because the matter concerns appropriations," Udovenko said.

He said they did not discuss Ukraine's economic relations with countries such as Libya and Iraq. "Our policy on this issue concerns the fulfillment of the U.N. sanctions," he said.

Ukraine: Talbott Hails New Constitution as 'Joint Victory'

LD1707155096 Moscow INTERFAX in English 1517 GMT 17 Jul 96

[FBIS Transcribed Text] Kiev, July 17 (Interfax - Ukraine) — The U.S. leadership has assessed the adoption of the new Constitution of Ukraine as a "joint victory" for all the branches of power in the state, U.S. First Deputy Secretary of State Strobe Talbott said.

This is the "official stand" of the US leadership, he pointed out at a meeting with Ukrainian Verkhovna Rada Speaker Oleksandr Moroz.

Mr.Talbott spoke highly about the role played by O. Moroz in the adoption of the Fundamental Law of Ukraine.

In his turn, the Verkhovna Rada Speaker emphasized that the main objective of the upcoming parliamentary session is to "organically fit the newly adopted Constitution into Ukraine's legal field." He presented to Mr.Talbott a copy of the text of the Constitution of the first print.

Strobe Talbott and Oleksandr Moroz have agreed that the present state of Ukrainin-U.S. relations is a source of hope for their further positive development.

Ukraine: Kuchma Thanks U.S. for Support for Reforms

LD1707164796 Moscow INTERFAX in English 1633 GMT 17 Jul 96

[FBIS Transcribed Text] KIEV, July 17 (Interfax-Ukraine) — Ukrainian President Leonid Kuchma thanked the United States for supporting Ukraine's economic and political course while meeting with U.S. Assistant Secretary of State Strobe Talbott in Kiev on Wednesday [17 July].

During the meeting, Kuchma voiced the hope that Ukraine would find an appropriate scope of relations with NATO, a spokesman for the Ukrainian president, Andrey Chirva, told Interfax-Ukraine.

Ukraine would like to develop not only military but also political and information links with NATO, the Ukrainian president said.

The United States is the chief advocate of support for Ukrainian reforms among the Group of Seven leading industrialized nations, Talbott said.

The United States plans to give a considerable impetus to the development of relations between the West and Ukraine in the near future, he said.

Kuchma and Talbott also discussed Ukrainian-Russian relations, the Ukrainian president's spokesman said.

The United States would not like to create problems regarding Ukrainian-Russian relations, Talbott said.

Kuchma emphasized the need to conclude a large-scale treaty on cooperation between Ukraine and Russia as soon as possible, the spokesman said.

Ukraine: Udovenko Meets Russian Deputy Foreign Minister

LD1807105496 Moscow INTERFAX in English 1004 GMT 18 Jul 96

[FBIS Transcribed Text] KIEV, July 18 (Interfax-Ukraine) — Ukrainian Foreign Minister Hennadiy Udovenko and Deputy Russian Foreign Minister Ivan Kuznetsov met in Kiev early on Thursday, with the issue of the former Soviet Union's foreign assets being high on the agenda, senior ministry spokesman Yuriy Sergeyev told Interfax-Ukraine.

He said the Ukrainian minister called for an early resumption of talks on the whole spectrum of bilateral relations, including the problem of the Black Sea Fleet.

Udovenko said the negotiations could begin before Russia forms a new government.

The minister announced that Russian Prime Minister Viktor Chernomyrdin had been invited to visit Kiev and stressed the need to regenerate activities in the joint government commission for Ukrainian-Russian cooperation.

Ukraine: MPs Accuse Aviation Plants of Passing Technology to Russia

WS1807085296 Kiev INTELNEWS in English 0145 GMT 18 Jul 96

[Attributed to INFOBANK]

[FBIS Transcribed Text] Kiev, July 16. Parliament Reforms faction members wrote a letter to Prime Minister Pavlo Lazarenko demanding investigation of Antonov Aviation Research Complex in Kiev and Motor-Sich works in Zaporizhzhya, accusing them of passing aviation technology to Russia free of charge. They citing joint work on a new An-70 passenger plane as an example and contend that it is one cause of both companies indebtedness to the budget.

Ukraine: 'Sources': Kiev To Supply 300 T-80 Tanks to Pakistan

LD1807085096 Moscow ITAR-TASS in English 0754 GMT 18 Jul 96

[By Grigoriy Arslanov]

[FBIS Transcribed Text] BEIJING, July 18 (Itar-Tass) — Ukraine is to deliver to Pakistan 300 T-80 tanks worth 650 million US dollars, sources close to the Embassy of Pakistan in Beijing told Itar-Tass on Thursday.

Kiev will get another 1.5 million dollars for helping Pakistan to prepare tank crews and mechanics to serve the tanks.

According to the sources, the deal signals the beginning of the Ukrainian-Pakistani cooperation in the military field. It is an evidence of Kiev's active penetration into the armaments market of South Asia.

Foreign military specialists in Beijing do not rule out that "Russia's orientation towards India in military deliveries" may have prevented Moscow from getting this advantageous contract, which it could have struck without violating its military obligations in the export of conventional arms.

National Affairs

Ukraine: Ukraine To Impose 'Elements' of Emergency

LD1707144296 Moscow ITAR-TASS World Service in Russian 1426 GMT 17 Jul 96

[By ITAR-TASS correspondent Mikhail Melnik]

[FBIS Translated Text] Kiev, 17 Jul — "Elements of a state of emergency are to be imposed" in Ukraine, Vladimir Gorbulin, secretary of the National Security Council under the Ukrainian president, reported today. Speaking at a briefing immediately after a sitting of the Council, he said that in the view of the authorities, unless drastic measures are taken in the country, Ukraine could lose its independence by the autumn. Gorbulin did not say precisely what measures these were.

"The president and Government of Ukraine," he said, "are concerned by the fact that since the adoption of the new Constitution, radical left-wing and right-wing forces have stepped up their actions against the policy of the head of state. The leaders of the communists and socialists are openly claiming that Leonid Kuchma's policy is anti-popular and are calling for his overthrow and for changing the system in the country. The ultra-nationalists, in particular the Ukrainian National Assembly-Ukrainian National Self-Defense, are in unison with the left wing." "All this threatens Ukraine's national security," he stressed.

Ukraine: Security Secretary: Paramilitary Groups To Be Abolished

WS1807080696 Kiev INTELNEWS in English 0145 GMT 18 Jul 96

[By Halia Pavliva, INTELNEWS Staff Writer]

[FBIS Transcribed Text] Kiev, July 17. A limited state of emergency declared Wednesday [17 July] after the attack on the premier will be used to crackdown on extremist political parties and other militants—possibly striking coal miners, according to National Security Secretary Volodymyr Horbulin.

The action was approved by the Presidential Council of National Security at a special meeting called and chaired by President Leonid Kuchma.

Paramilitary groups of the Ukrainian National Assembly-Ukrainian National Self Defense Organization (UNA-UNSO) will be abolished because "they don't have the right to exist," Horbulin said at Wednesday's briefing in the presidential administration. "Why are they training? For changing the power," he said.

According to Horbulin, "elements of the state of emergency" will be introduced in response to Tuesday's bombing aimed at Prime Minister Pavlo Lazarenko, characterizing the incident as terrorism.

Horbulin connected the attack with those discontented with the economic situation: "How can people who instigate miners not only to strike, but to block railways, be treated? Irrespective of who are they and where are they from, legal steps will be taken against them," Horbulin said, confirming that the ax will fall on some Donetsk Oblast officials, though he refused to name them.

Donetsk Gov. Volodymyr Shcherban is rumored to have submitted his resignation, according to members of the Liberal Party of Ukraine which he heads, but the report is unconfirmed.

Horbulin said that besides Donetsk, political tension are ripe in Lugansk, Lvov, Ivano-Frankivsk oblasts and Crimea.

"A real threat to the national security of the state has been created," Horbulin said, adding that if measures weren't effected, "I'm not convinced that in the fall one can speak about Ukraine as an independent state."

Horbulin said the security council believes extremists, both left and right, are demanding radical changes to government without offering constructing proposals, adding "their sayings that the course of the president is destructive to the people threaten the state," according to Horbulin. Further, Horbulin acknowledged corruption exists in some executive agencies, and individuals connected with organized crime have been elected to legislatures, and must be combated.

Security Service of Ukraine deputy chairman Oleksandr Skibenetskyy denied rumors that some government agency was responsible for the bombing to precipitate the crackdown or to add mystique to Lazarenko's reputation. That theory is being purported by some Donetsk Oblast Administration officials, according to a local source who asked not to be identified.

Ukraine: Security Service Head Comments on State of Emergency

LD1707155196 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 17 Jul 96

[FBIS Translated Text] Elements of a state of emergency may be introduced in Ukraine — a statement to this effect was made by Volodymyr Horbulin, secretary of the National Security Council under the Ukrainian president, on 17 July at a briefing at the administration of the Ukrainian president. Horbulin spoke about the outcome of an unscheduled meeting of the Security Council under the Ukrainian president during which, among other things, the situation concerning the explosion of a homemade device in front of the car of the Ukrainian prime minister on his way to Borispol airport was discussed. The main issue, however, was a threat to the constitutional regime in our state.

In the words of Volodymyr Horbulin, the adoption of the Ukrainian constitution is seen by a number of left-wing and right-wing radical movements and parties as a kind of signal to active measures against the course of the Ukrainian president toward reforms. I do not want to state that there is a single scenario there, Horbulin said.

However, the coordinated nature of actions, open appeals to change the existing regime and to cancel the recently adopted constitution, and statements and resolutions adopted at rallies, in particular in mining regions, present a threat to the security of our state. The decision of the National Security Council under the Ukrainian president, Horbulin noted, will be published fully for the first time. It concerns the actions of the authorities which will cover all spheres of life. Horbulin described this as introducing elements of a state of emergency which is to counteract the threat of the seizure of power by corrupt elements.

Ukraine: Deputy Warns of 'Wave of Terrorism'

LD1707153896 Moscow ITAR-TASS in English 1526 GMT 17 Jul 96

[By Raisa Stetsyura]

[FBIS Transcribed Text] KIEV, July 17 (Itar-Tass) — The social and economic crisis in Ukraine can unleash a wave of terrorism, chairman of the Ukrainian parliament's standing committee on combating corruption and organized crime told Itar-Tass on Wednesday.

Chairman Grigoriy Omelchenko said he did not rule out that some groupings might prefer terrorism to legal means in their drive to achieve their own political ends.

Omelchenko pointed to the accident in which the car of the Ukrainian Prime Minister Pavel Lazarenko was damaged in a bomb blast as he was riding to Kiev airport on Tuesday as one in a series.

He said the number of acts of terrorism in Ukraine had been steadily increasing over the recent years. According to him, there were up to 150 such acts in 1992, 180 in 1993, and over 250 in 1994. In the first three months of 1996, more than 30 acts of terrorism were reported, Omelchenko said.

Lazarenko was not hurt in the blast.

Ukraine: Kuchma Issues Statement on Countering Security Threat

LD1707203096 Kiev UT-1 Television Network in Ukrainian 1800 GMT 17 Jul 96

[FBIS Translated Text] We have received a statement from the press service of the president of Ukraine:

The adoption of the constitution of Ukraine completed possibly the most difficult stage in the current making of our statehood; initiated a fundamentally new atmosphere for asserting unity in society which is a precondition for irreversible and truly reformist transformations; and raised considerably the Ukraine's prestige in the eyes of the world community. The president and the government finally received a chance to concentrate fully on solving urgent and long-term issues in the economic, social, political, spiritual, and international spheres for improving every citizen's life.

However, already the first resolute steps, even before reinforcing the influence of authorities on the processes in Ukraine - in particular, measures aimed at suspending the decline in industrial and agricultural production, supporting the viability of other industries, overcoming the payments crisis, clearing arrears in wages, pensions and other social allowances and reinforcing civic peace and calm - encountered furious opposition from organized crime and corrupt officials working in administrative structures at various levels. Favorable conditions are created for them by oppositional, and in effect antistate and anticonstitutional, political formations which are now trying to step up their activities. This manifests itself in stirring up miners' strikes, blocking roads, attempting to aggravate passions around various events, and inciting separatist moods in Crimea and certain other regions.

Criminal groups are trying to use this situation to increase the influence of criminal clans, to aggravate confrontation and enmity, and to destabilize the situation in the country. Their actions are becoming more and more daring and organized. They include threats, blackmail, intimidation and even attempts at terrorist acts against certain politicians and officials.

Unprecedented in its challenge was the attempt on the life of Ukrainian Prime Minister Pavlo Lazarenko. There is every ground to talk about the probability of the emergence of a real threat to the national security of Ukraine and its existence as a sovereign state.

The Ukrainian president has sufficient powers under the constitution to give an adequate and resolute response to that challenge. And it will be given. As head of state and guarantor of the constitution he will not allow the destabilization of the state or whatever attempts to slow down and undermine the process of stabilization and establishment of order and to hamper the uncompromising struggle against the fifth power. The smallest attempt to undermine the constitutional regime, the rights and freedoms of citizens will be met with a most severe response. Measures adopted today at a meeting of the National Security Council under the chairmanship of Ukrainian President Leonid Kuchma are directed toward these aims. The decision of the National Security Council under the Ukrainian president will be published in the press.

Ukraine: Assassination Attempt on Premier Viewed as Warning

LD1707170596 Moscow INTERFAX in English 1548 GMT 17 Jul 96

[FBIS Transcribed Text] KIEV, July 17 (Interfax-Ukraine) — Aleksandr Skibinetskiy, Ukrainian Security Service deputy chairman, told a briefing in Kiev on Wednesday that the assassination attempt on the life of Ukrainian Prime Minister Pavel Lazarenko was a "serious warning."

He denied the allegation that the assassination attempt on Lazarenko's life had been faked.

An explosion occurred near the Moscow Bridge while the car carrying Lazarenko to the Borispol Airport in Kiev was passing by in the morning of July 16. Nobody was hurt.

It will become possible to draw final conclusions regarding the assassination attempt after the investigation is completed, Skibinetskiy told reporters.

However, it is clear that this was a "planned action," he said, adding that he believed that the explosion had been organized by "professionals."

The prime minister's car is currently being examined, Skibinetskiy said, adding that many witnesses had been interrogated.

The investigating group, which includes representatives of the Ukrainian Security Service, the Interior Ministry and the Prosecutor's Office, established that a radio-controlled explosive device was used in the explosion, he said. Parts of a radio-technical board, batteries and other components used in explosive devices were discovered at the site of the explosion.

The explosive device blew up two or three meters ahead of the car carrying the prime minister. The explosion's power was equivalent to 3 kilograms of TNT.

Several possible explanations are now being considered, Skibinetskiy told Interfax-Ukraine.

"There are enough people in different regions who are interested in an assassination attempt on the prime minister's life," he said.

One of the possible explanations is that the assassination attempt involved some forces wanting to prevent the prime minister from visiting the Ukrainian city of Donetsk, where numerous coal mines are on strike, he said.

However, Vladimir Gorbulin, secretary of the National Security Council under the Ukrainian president, told the same briefing that the personnel changes in the Donetsk region and the explosion were not connected.

Sixty-seven actions infringing on the personal safety of Ukrainian statesmen, including verbal threats, have been registered during the last six months, Skibinetsky said.

Over 300 incidents involving explosive devices have been registered in Ukraine during the last two years.

Gorbulin said he agreed with those saying that the action against the prime minister was a "warning." However, "this action is more economic than political," he believes.

Documents on the creation of an anti-terrorism center in Ukraine have been "all but prepared," Gorbulin said.

"We are situated between the Caucasus and the former Yugoslavia. So, we need to take into consideration any possible developments that may evolve in Ukraine without our wishes," he said.

Ukraine: Prime Minister Interviewed on Situation in Donetsk Region

LD1807083896 Kiev UNIAR in Ukrainian
1630 GMT 18 Jul 96

[FBIS Translated Text] Kiev — Late on 16 July, having returned to Kiev, Pavlo Lazarenko [Ukrainian prime minister] gave an interview for the mass media in Borispol airport. He, in particular, said that 11 groups are now working in Donetsk coal region, charged with completing the work on studying the situation in the coal industry, which had been started by a government commission in order to help coal mining enterprises. He stated that the Cabinet of Ministers headed by him will do everything possible to normalize the situation in the industry as quickly as possible.

"The government is in control of the situation and it will carry out the task until its logical completion. After a detailed conversation, 45 criminal proceedings were instigated. You know that the Ukrainian president has already replaced the head of the security service and the prosecutor general of Donetsk Region for unsatisfactory work. I think that it is in Donetsk Region that we will witness in the nearest future a drastic reversal of the so-called coal issue," the prime minister stressed.

[Unidentified correspondent] Was your work in Donetsk more important than the possible consequences of the incident in the morning of 16 July?

[Lazarenko] To be honest, I believe the morning terrorist attack was intended to kill. Fatal consequences were avoided just by chance. It had only one aim — to prevent the prime minister's arrival in Donetsk Region. There cannot be other explanations.

[Correspondent] Judging by the terrorist attack, it is connected with the fact that you have begun introducing order in the country. Judging by your actions today, there are grounds to believe that you will continue it. However, we are interested in something else: Will any specific measures be taken to prevent such incidents, if not to make them impossible or to inflict a blow to these structures?

[Lazarenko] There will be such measures by all means. I am convinced once more that [words indistinct] only stating facts but preventive actions and solving are needed.

[Correspondent] Could you specify: who, with whose money and why the strike started? At a meeting with you, certain deputies named specific individuals, in particular, the heads of the region.

[Lazarenko] I believe the strike, announced by the independent trade unions of Mr. Volynets and supported by the head of the strike committee, Mr. Krylov, were aimed at disrupting the stabilization, which has lately begun emerging in the coal industry. You saw for yourself that the government does not owe any money. This is not to the liking of some people — they need a degree of uncertainty and constant destabilization of the situation; they need somebody to justify oneself to somebody else; and each time it should be necessary to go to the railways to demand money. Why? It is better that way: One does not have to work; it is possible to cover one's sins, not to answer for one's wrongdoings, and to blame everything on the government. Today, everybody without exception saw that: Nobody will shift responsibility in the region onto the government. As far as I will be authorized by the president and the parliament, I will be categorical in defending the interests of the state. Today, in the places where leaders are not able to work, but shift responsibility onto the government — such tricks have stayed in the past. They will not be accepted, they are not necessary and they will not happen in the country. The name of the person behind those two trade union leaders and who finances them today will be made public by us, I think, in the near future, after the completion of the conversation. Today, an investigation is being carried out by a government group headed by a deputy minister of internal affairs. I received preliminary information today: We know connections and we know where money is coming from. I think, you have visited the region yourself and heard for yourself what people talk about.

Ukraine: Lazarenko Says Backlog in Miners' Wages Repaid in Full

LD1707141496 Moscow INTERFAX in English 1111 GMT 17 Jul 96

[FBIS Transcribed Text] Kiev, July 17 (Interfax - Ukraine) — The Ukrainian Cabinet of Ministers has completely repaid the wage backlog to coal miners (65 trillion karbovanets instead of the planned 50 trillion), Ukrainian Prime Minister Pavlo Lazarenko said on July 16 at a meeting with senior officials of mining companies, miners' cities, and trade union leaders of the Donetsk coal basin.

He also promised that extra 10 trillion karbovanets would be earmarked before the weekend for the construction of 93 new long wall faces. In July 1996, the Premier added, seven trillion karbovanets more will be transferred for those purposes.

Coal subsidies, P. Lazarenko noted, will be granted depending on the coal output.

P. Lazarenko said that 11 teams have been set up lately from among officials of control and audit bodies, tax inspectorates and law enforcement units, to continue looking into the activities of coal enterprises.

"Further strikes and road traffic blockades will entail judicial withdrawal of the assets extended by the Government for subsidies, as well as other measures envisaged in the legislation", he underscored.

Ukraine: Miners Deny Persuasion Reason for End of Blockade

LD1707230096 Kiev UNIAN in Ukrainian 1645 GMT 17 Jul 96

[FBIS Translated Text] Donetsk — The information broadcasted by the Ukrainian television news on the lifting of the blockade of the railways by miners on 17 July is somewhat incorrect. This was stated in an interview with UNIAN by Mykhaylo Krylov, co-chairman of the Donetsk city workers strike committee.

He said that the miners did not give in because they were persuaded by the officials of the Ministry of the Coal Industry, Ukrainian railways, and their trade union leaders, as was broadcast. The miners lifted the blockade at approximately 1200 as women and children were taken off the trains.

Ukraine: Striking Miners Lift Donetsk Railway Blockade

LD1707223496 Kiev UT-1 Television Network in Ukrainian 1800 GMT 17 Jul 96

[FBIS Translated Text] Our Ternopol correspondent reports that striking miners lifted the blockade of Donetsk railways today:

[Unidentified correspondent] The situation was critical. Employees of four mines had gathered at this crossing of roads and railways. The blockade became serious. The extremists defied government attempts and, demanding that wage arrears be paid by the end of the week, tried to aggravate the strike to the extreme. They failed, however. The majority of them have already received their money and realized that the state is on the side of the miners. Besides, the pickets have been approached by leaders of the Ukrainian railways, the Ministry of Coal Industry, and law-enforcement bodies with a request to lift the blockade. The miners' consciousness should be noted: they understood that they had been drawn into an antistate action, removed pickets, and went to their mines.

One should note that, during the strike, the railways lost 1,000 billion karbovantsi and the mines failed to produce 3 million tonnes of coal worth 18,000 billion karbovantsi.

The government commission headed by Vasyl Durdynets, first deputy prime minister, continues its work in Donetsk.

Ukraine: Moroz Says Parliament Meeting To Be Held Under Constitution

LD1707161796 Moscow INTERFAX in English 1517 GMT 17 Jul 96

[FBIS Transcribed Text] Kiev, July 17 (Interfax - Ukraine) — The upcoming session of Ukraine's Verkhovna Rada [Supreme Council], which is due to open on September 3, will be held "under the badge of the Constitution", Ukrainian Parliament Speaker Oleksandr Moroz said on Wednesday in the course of his meeting with Ukrainian students, who underwent a yearly probation period training at the parliamentary committees.

According to O.Moroz, it is planned to adopt at the upcoming session the Tax Code, as well as laws of Human Rights' Commissioner, Election Law, the Law of the parties, of the Cabinet of Ministers and of the Constitutional Court.

Probation training of 34 Ukrainian students at Verkhovna Rada was prepared and coordinated by the Association of former US congressmen, whose activities abroad are aimed at support for democratic institutions, in particular, the Central and East European Parliaments.

Next year, probation training will be resumed at Ukraine's Verkhovna Rada for students studying economy, law, politology and sociology.

Belarus

Belarus: Belarusian President Reportedly Funded Zyuganov Campaign

LD1807062096 Moscow Radio Rossii Network in Russian 1800 GMT 17 Jul 96

[FBIS Translated Text] We have received a sensational report from Belarus. An Independent Belarusian parliamentary deputy, Anatol Lyabedska, claims in the independent Minsk weekly SVOBODNYYE NOVOSTI PLYUS [as heard] that Belarusian President Alyaksandr Lukashenka was involved in the funding of Gennadiy Zyuganov's election campaign. According to him the money from Belarus reached the communists' election headquarters via the so-called Esambayev Fund, named after the famous Chechen dancer. Yuriy Svirko reports from Minsk.

[Svirko] Deputy Lyabedska revealed the mechanism of this funding. The Esambayev Fund imported spirits and cigarettes into Russia through Belarus in stupendous amounts. According to the calculations of Anatol Lyabedska, deputy chairman of the Belarusian parliament's international relations committee, the import operations of the fund, which under a decree issued by President Lukashenka had been granted equally stupendous privileges, resulted in Belarus and Russia, who operate a customs union, being underpaid duties and taxes amounting to over 800 billion Belarusian rubles, which is about 300 billion Russian rubles or $60 million. Part of this, it is claimed, went on the needs of Zyuganov's campaign.

Belarus: Prime Minister Reviews Economic Results in Jan-Jun '96

WS1807110196 Minsk Radio Minsk Network in Belarusian 0400 GMT 18 Jul 96

[Report by Aleh Mikhalevich on news conference by Belarusian Prime Minister Mikhail Chyhir on 17 July; place not given]

[FBIS Translated Text] According to the prime minister, during the first six months of this year the situation in the industrial and agricultural sectors improved. Positive results were achieved in poultry farming. According to Mikhail Mikalayevich, this branch is currently successfully operating not only on our market, but also on Russia's. Among enterprises which achieved good results, the prime minister singled out the Belarusian Metallurgical Plant, Homselmash, Belaz, and other companies. Problems concerning sales of finished products are still acute. As of 1 July, the value of unsold products had amounted to almost 11 trillion rubles [R].

[Begin Chyhir recording — in Russian] We are not satisfied with the financial results of many of our enterprises. Many large companies have suffered big losses. Haryzont has lost R33 billion, the Minsk watch plant — R17.2 billion, the Minsk auto plant — R67 billion, and the Minsk motor and bicycle plant — R50 billion. These very large enterprises sustained losses during the first half of this year, and their situation naturally requires a special and detailed analysis. It has already been conducted with regard to Haryzont, and certain measures have been taken to improve the situation at this company.

As for other large enterprises, certain extraordinary decisions are needed. The government's position is that if an enterprise receives assistance from the government, primarily if it receives certain privileges and budget loans, this company should introduce a state wage scale. However, certain enterprises do not want to do this, and at companies where the situation is hopeless we are taking certain extraordinary measures to keep them afloat for the time being. At the same time, we are trying to develop measures which would enable them to operate in normal and natural conditions without external assistance. [end recording]

The prime minister particularly addressed issues concerning foreign economic activities. He noted that imports are considerably exceeding exports, which has brought about a trade deficit.

[Begin Chyhir recording — in Russian] Naturally, we will soon take additional measures which will primarily be aimed at reducing imports into Belarus. Although it is currently hard to say what kind of measures will be taken, there are proposals addressed to the Russian Government to revise customs duties on a number of products and considerably increase customs duties on products which we can produce ourselves. If the Russian Government does not support these measures, we will search for other options and methods. [end recording]

Following this, the prime minister answered numerous questions from journalists.

Belarus: Defense Minister on Results of Talks in Lithuania

WS1707142396 Minsk BTK Television Network in Belarusian 1800 GMT 15 Jul 96

[FBIS Translated Text] Defense Minister Leanid Maltsaw was a member of the Belarusian delegation to Lithuania, but he worked in accordance with an individual program.

[Begin Maltsaw recording in Russian] We have talked about our cooperation with the defense minister of

Lithuania. The point is that there are already agreements between the Belarusian Defense Ministry and the State Protection Ministry of the Lithuanian Republic. However, these agreements need to be accompanied by specific measures. We have talked about those measures. I have presented them with the draft cooperation plan. Also we have agreed that we will meet in the fall, but this time in Minsk, where this draft project will be redrafted and we will sign it for implementation. [end recording]

Kazakhstan

Kazakhstan: Malaysian Prime Minister Arrives for Official Visit

LD1807070296 Moscow ITAR-TASS in English 0657 GMT 18 Jul 96

[By Vladimir Akimov]

[FBIS Transcribed Text] ALMATY July 18 (Itar-Tass) — Malaysian Prime Minister Mahathir bin Mohamed arrived in Almaty today for a three-day official visit. He will discuss with Kazakh leaders prospects of turning their two countries into partners and developing cooperation in the economic, trade, cultural and other spheres.

On the first day of the visit Mahathir bin Mohamed will have conversations with Kazakh President Nursultan Nazarbayev and Prime Minister Akezhan Qazhygeldin with a limited number of participants. Talks on the level of official delegations of the two countries will also be held. A number of joint Kazakh-Malaysian documents are expected to be signed tonight.

Kazakhstan: Foreign Minister, Iranian Envoy Discuss Expansion of Ties

LD1607165396 Tehran IRNA in English 1444 GMT 16 Jul 96

[FBIS Transcribed Text] Almaty, July 16, IRNA — Iranian Ambassador to Almaty Rasoul Islami and Kazakh Foreign Minister Qasymzhomart Kemeluly Toqayev in a meeting here Tuesday [16 July] explored ways of expanding Tehran-Almaty bilateral and regional ties and cooperation.

The two sides assessed as "positive" the outcome of political consultations between the two countries and underlined the need to expand the scope of such consultations to cover various political, economic, parliamentary and judicial areas.

The establishment of multilateral cooperation involving Iran, Kazakhstan and one of the regional countries was among other topics discussed by the two sides.

They also called for settlement of disputes on the Caspian Sea through holding of meetings among the foreign ministers or deputies foreign minister of the Caspian Sea littoral states.

Kazakhstan: Stolen Aircraft Bombs Found

LD1607193496 Almaty KARAVAN-BLITS in Russian 12 Jul 96 p 1

[Report: "The Bombs Were Written Off Like Rotten Cucumbers"]

[FBIS Translated Text] Semipalatinsk — Our newspaper has already reported about this case twice. On 28 May, local residents found 14 270 kg aircraft bombs on the edge of a deserted quarry not far from Shemonaikha settlement in East Kazakhstan Region. The bombs were carefully disguised. Sappers established that they did not have fuses and did not present a danger. However, their destructive potential is huge. When such ammunition explodes, its shrapnel can reach one and a half km. The aircraft bombs were entirely "young" — they were made in 1991. That means they were stolen recently too. However, it was not easy to clarify who stole them and from where. According to the Ministry of Defense, this type of aircraft bomb was not registered either at military bases or ammunition dumps. But it was not exactly so in fact. Military counterintelligence officers revealed that one of the military units in Semipalatinsk was short of six such bombs. They were written off from the ammunition dump. Their identification marks matched with the ones marked on the bombs found near Shemonaikha. An investigation is under way at the military unit. The people involved in the illegal writing-off of the ammunition are being uncovered. All materials have been handed over to the Military Investigation Department of the State Investigation Committee, which firmly intends to clarify how and due to whom was it so simple to remove two trucks from the ammunition dump with very powerful ammunition as if the trucks were loaded with rotten cucumbers.

Kyrgyzstan

Kyrgyzstan: Akayev Holds Talks With Malaysia's Mahathir

BK1707075496 Kuala Lumpur THE STAR in English 17 Jul 96

[Report by Michael Aeria — received via Internet]

[FBIS Transcribed Text] Bishkek: Malaysia will undertake a special case study of the Kyrgyz Republic to identify specific areas of co-operation between the two countries.

Datuk Sri Dr Mahathir Mohamed made the proposal during a meeting with Kyrgyz President Askar Akayev yesterday.

Foreign Minister Datuk Abdullah Ahmad Badawi said that the study would cover all aspects, including political, legal and economic potential.

"Hopefully, the result of the study and the recommendations made will pave the way for a more meaningful co-operation between the two countries," he told a press conference jointly held with his Kyrgyz counterpart Rosa Otunbaeva.

Abdullah said the study would be more comprehensive than the co-operation between Malaysia's Economic Planning Unit and the Kyrgyz Economy Ministry.

The study would initially be undertaken by the Government but would eventually involve the private sector, too.

He said President Akayev welcomed this proposal, saying the Kyrgyz Republic would benefit from this study.

Dr Mahathir and Akayev also signed a joint declaration in which both leaders underlined the importance of bilateral relations between the two countries.

They also recognised the tremendous opportunities for economic co-operation for mutual benefit.

Abdullah said that during a meeting of the delegations headed by Dr Mahathir and Kyrgyz Prime Minister Apas Dzhumagulov, four specific areas of co-operation were identified — mining, tourism, manufacturing and agriculture, and food processing.

Dr Mahathir also witnessed the signing of a master agreement between Malaysian Mining Corporation CEO [chief executive officer] Tan Sri Ibrahim Menudin and Kara Balta Mining Combinate's Jalgeb Kazackayev [names as published].

In the afternoon, Dr Mahathir was conferred a professorship award by the Kyrgyz State University.

Kyrgyzstan: Malaysia's Mahathir Urges Enhanced Economic Cooperation

BK1707075396 Kuala Lumpur THE STAR in English 17 Jul 96

[Report by Michael Aeria — received via Internet]

[FBIS Transcribed Text] Bishkek (Kyrgyz Republic): Countries in Asia should explore new ways to enhance economic co-operation so that the dividends from this growth can be jointly shared, Datuk Sri Dr Mahathir Mohamed said yesterday.

The Prime Minister said that by the year 2000, Asia was set to become the most important region of the world economically, politically and culturally.

"As a member of the community of developing countries, it is imperative that Kyrgyz and Malaysia, which share common aspirations of self-reliance, should work together," Dr Mahathir told a joint Kyrgyz-Malaysia business meeting.

The Prime Minister, who is heading a delegation of Cabinet ministers, mentris besar [chief ministers] and businessmen, was on the second day of his official visit to the Kyrgyz Republic.

Earlier in the day, Dr Mahathir called on President Askar Akayev, followed by a meeting with a delegation headed by Prime Minister Apas Dzhumagulov.

Dr Mahathir said Malaysia placed great importance on developing trade and economic. co-operation with countries of the South.

Malaysia's total exports to the South countries has registered strong growth, representing 16.9 per cent of the country's total exports in 1995 compared with 12.2 per cent in 1990.

"South-South co-operation has acquired greater significance in the light of the Uruguay Round market opening process," he said.

Dr Mahathir said bilateral trade between the two countries was still low but he saw many opportunities for mutual co-operation.

Both countries belong to regional groupings — Malaysia as a member of Asean which by the year 2000 would become a free trade area with zero tariff for most manufactured products and the Kyrgyz Republic which is a member of the Central Asian Economic Union and set to become a free trade area incorporating the neighbouring countries of Kazakhstan and Uzbekistan.

He said Malaysian companies could explore the possibility of using the Kyrgyz Republic as a base for their business operations in the Central Asian market and Kyrgyz businessmen could use Malaysia as a staging point to expand their business operations in the South-East Asian region.

Kyrgyzstan: Akayev Signs Cooperation Protocol With Malaysia

LD1607123496 Moscow INTERFAX in English 1057 GMT 16 Jul 96

[FBIS Transcribed Text] BISHKEK, July 16 (Interfax) — President of Kyrgyzstan Askar Akayev and Prime Minister of Malaysia Mahathir Mohamad signed a joint declaration on principles and areas of bilateral cooperation in Bishkek Tuesday [16 July].

They also signed a general agreement on development of the Taldiy Bulak Levoberezhniy gold mine.

Kyrgyz Foreign Minister Rosa Otunbayeva told a briefing after the signing ceremony that the declaration will help to attract investments in Kyrgyz telecommunications, transport, food production, processing of agricultural products and the gold-mining industry.

Malaysian Foreign Minister Abdullah Ahmad Badawi said Malaysian experts will research the Kyrgyz economy, politics and the social sphere and analyze Kyrgyz legislation. The results will be used to give economic recommendations.

He said Akayev approved of this research because Kyrgyzstan plans to use Malaysian experience for making a model of its social and economic development.

The Kyrgyz government approved the Taldiy Bulak Mining Corporation joint venture on June 3. The joint venture was set by the Kara Balkinskiy mining plant (Kyrgyzstan) and the Malaysian mining corporation. Kyrgyzstan will have no less than 51 percent of shares in the joint venture.

The Malaysian prime minister and the accompanying officials (230 persons) will stay in Kyrgyzstan till July 18 and then leave for Almaty.

Tajikistan

Tajikistan: Rakhmanov, Kazakh President Discuss Relations

LD1807110296 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 18 Jul 96

[FBIS Translated Text] President Emomali Rakhmanov of the Republic of Tajikistan had a telephone conversation with his Kazakh counterpart Nursultan Nazarbayev yesterday. In a friendly and sincere conversation, they exchanged views on topics relating to the development of relations between the two countries and to regional and international issues of interest to both sides.

Tajikistan: Cooperation Agreement Signed With Uzbekistan

LD1707172296 Moscow ITAR-TASS in English 1405 GMT 17 Jul 96

[FBIS Transcribed Text] DUSHANBE, July 17 (Itar-Tass) — Delegations from Tajikistan and Uzbekistan on Wednesday [17 July] signed an intergovernmental agreement on the development and deepening of economic cooperation between the two countries.

Deputy Prime Minister Rustam Yunusov, who led the Uzbek delegation to one-day talks in Dushanbe, qualified the signed agreement as an important document resolving numerous problems which existed in economic relations of the two countries.

Tajik Vice-Premier Holisdzhan Temirdzhanov also praised the agreement and said that the fulfillment of its provisions will make it possible to resolve one of the painful issues for the republic relating to mutual settlements with Uzbekistan for natural gas supplies to Tajikistan and transportation of Uzbek goods via Tajik territory.

As charges for natural gas remain a headache, Temirdzhanov and Yunusov signed an agreement which puts on record the Uzbek side's promise to consider the possibility of reducing the natural gas price in 1996.

Tajikistan: Uzbek Delegation Signs Agreement on Gas, Cooperation

LD1807112396 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 18 Jul 96

[FBIS Translated Text] A delegation of the Republic of Uzbekistan led by Deputy Prime Minister Rustam Yunosov paid a one-day visit to Dushanbe yesterday.

The representatives of Uzbekistan had talks with an official government delegation of Tajikistan led by Deputy Prime Minister Holisjon Temurjonov. Topics relating to future cooperation between the two countries were discussed during the talks.

An agreement was signed between the governments of the Republic of Tajikistan and the Republic of Uzbekistan on further developing economic cooperation and the price of natural gas.

Deputy Prime Minister Rustam Yunosov, head of Uzbekistan's delegation, described the document signed as one of great importance, which will resolve problems existing in economic relations between the two countries. Tajik Deputy Prime Minister Holisjon Temurjonov praised the agreement highly. He said that implementing it would make it possible to resolve the issue of the republic's payments to the neighboring country for gas supplies. As a result, gas supplies for the national economy and the residents of the Republic will be improved. That is why the two sides will sign a further agreement, according to which the Republic of Uzbekistan will supply gas to Tajikistan in exchange for transit of gas through the territory of our Republic.

Another agreement will regulate relations between the sides in using railway and motor transport. The issues of the movement of freight transport, official vehicles, and passenger cars of the Republic of Tajikistan through the territory of the Republic of Uzbekistan to other countries will be discussed and resolved by 1 August.

The representatives of the two countries stated that adjustments will be made to regulations on pricing policy and transportation of cargoes and passengers, as well as to normative documents.

Tajikistan: Government Halts Border Trade With Afghanistan

LD1707211896 Moscow INTERFAX in English 1623 GMT 17 Jul 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The Tajik Government decided to close all border trading points with Afghanistan.

A statement from the Tajik Government distributed in Dushanbe says that "fighters of the Tajik opposition are redeploying fresh forces from Afghanistan's internal regions to the regions bordering Tajikistan." Especially intensive re-deployment was registered in the Badakhshan area.

"Regular detachments of Afghanistan's Defense Ministry which are subordinate to the central authorities, including detachments of the 29th infantry division and military transport aviation, are participating in the redeployment of Tajik opposition formations, and this arouses special concern," the statement says.

Dushanbe views these actions "as a demonstration of an unfriendly attitude and as an act contradicting the agreements existing between the two countries and good-neighborly relations."

The Tajik government also "expresses perplexity due to the position of the Afghan authorities concerning the aggravation of the situation along the state border and believes that this position contradicts the status of a supervisor in which Afghanistan is acting at the inter-Tajik talks."

The statement says that the Tajik government "finds it necessary to reconsider relations with the countries which render support to the armed formations of the opposition in one or another form."

The Tajik government also retains the right to adopt "preventive measures, including suppression measures by using all available forces and means in order to prevent an escalation of violence and to ensure its own security."

At the same time, the statement underlines that "being sure of a lack of prospects in a coercive solution of the conflict, the Tajik government confirms its readiness to adopt constructive measures responding to the spirit of talks held in Ashgabat."

The Tajiks leadership attracts much attention to these talks held under the auspices of the United Nations and hopes for their fruitfulness, the document says.

"The work aimed at nearing positions of the parties in order to restore the cease-fire agreement near Tavildara as soon as possible" was continued at the talks in Ashgabat Tuesday [16 July], special envoy of the U.N. Secretary General Herd Merrem told Interfax. He has held separate consultations with the delegations of the opposition and Dushanbe authorities.

As Interfax has learned, as before the opposition delegation does not accept the government's proposal to withdraw to the positions as of January 28, to the line along the village of Layron and the Ragnov River (about 35-40 kilometers from the positions occupied now).

Deputies heads of the delegations the same day met with representative of the mission of the International Committee of Red Cross in Tajikistan Thomas Merkelbach, the opposition delegation was discussing the place for exchange with POWs and prisoners during this meeting. The opposition has proposed to organize the exchange in Khodzhent (former Leninabad) explaining this by security requirements and by the fact that "about 70 to 80 percent of the prisoners of war are people springing from the Leninabad region." The government delegation proposes to exchange in Dushanbe referring to the fact that this city is most acceptable taking into account expenditures for both parties and for the Red Cross.

Meanwhile, deputy head of the opposition delegation Mukhammedsharif Khimmatzoda told Interfax that according to the information received from Tavildara, about 50 POWs kept by the opposition forces and about 100 civilians were killed as a result of air raids of the government aviation on July 9-12. The opposition detachments encircled and destroyed a 18-strong assault landing force of the government forces on July 14 near Childara, he said.

Tajikistan's Foreign Minister Talbak Nazarov who heads the government delegation, has categorically refuted this information describing it as "a real desinformaiton aimed at aggravating the situation."

Tajikistan: Statement Assails Afghan Aid for Tajik Opposition

LD1607185096 Dushanbe KHOVAR in Russian 1241 GMT 16 Jul 96

["Statement by the Government of the Republic of Tajikistan"]

[FBIS Translated Text] The government of the Republic of Tajikistan attributes important significance to the Tajik negotiations being held in Ashgabat under UN auspices, and voices its conviction that they will lead to the positive results expected.

Noting that the armed conflict which has been taking place in the Pamir foothills is showing a tendency to abate, and being convinced of the fruitlessness of pursuing a forceful solution of the conflict, the government confirms its readiness to take constructive measures in line with the spirit of the negotiations being held in Ashgabat.

However, the government is seriously concerned about the military preparations which the armed wing of the opposition is making with the aim of strengthening the groupings operating inside the county.

According to the available reliable information, fresh forces of Tajik opposition militants have recently been observed transferring from the inner districts of the Islamic State of Afghanistan toward the districts bordering with the Republic of Tajikistan. Formations are observed to be being transferred with particular intensity in the Badakhshan sector. Furthermore, it is a matter of particular concern that regular subunits of the Defense Ministry of the Islamic State of Afghanistan, subordinate to the central authorities, and including subunits of the 29th infantry division and military transport aircraft, are directly involved in transferring Tajik opposition formations.

The government of the Republic of Tajikistan regards the involvement of subunits of Afghanistan's Defense Ministry in drawing up reinforcements to the Tajik-Afghan border as a manifestation of unfriendly relations and as an act contrary to the accords existing between the two countries, to good-neighborly relations, and also to the norms of international law.

The government expresses its perplexity at the position of the authorities of the Islamic State of Afghanistan in regard to whipping up the situation along the state border and believes such a position is contrary to the status of observer, in which capacity the Islamic State of Afghanistan is attending the Tajik negotiations.

In the emergent situation, the government of the Republic of Tajikistan finds itself compelled from today to close all points of border trade with the Islamic State of Afghanistan, and also to review relations with countries where any degree of support is being given to the armed formations of the opposition, and where they are being trained and financed; and it retains the right to take preventive measures, including measures of suppression, using all forces and means available to it, with the aim of preventing any escalation of violence and of ensuring its own security.

The government of the Republic of Tajikistan confirms its own adherence to peaceful means of settling the problems with the opposition, and would like to express the hope that wisdom will prevail in actions being taken by the opposition, for the sake of preserving the Tajik state and ensuring that peace and stability reign on Tajik soil.

Dushanbe, 16 July 1996

Tajikistan: Rebels Say Russians Involved in Clashes

LD1807110496 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 18 Jul 96

[FBIS Translated Text] Reports from Sagirdasht [southeast of Tavildara, central Tajikistan, in the Pamir foothills] indicate that the Russian Army has been directly involved in clashes. According to the latest reports, Russians have taken up a position at the highest point of the Khoburabot pass [east of Sagirdasht, north of Kalai-Khumb] and are from there carrying out continuous artillery shelling of inhabited areas.

It seems the regime [Tajik President Emomali Rakhmanov's government] wants to step up operations in Sagirdasht. This is because its efforts have not been successful in the Karanak [pass separating Tavildara and Khovaling District in Khatlon Region, southern Tajikistan] sector, and it wants to strike at the mujaheddin from another direction.

Witnesses say the regime has been using foreign mercenaries who are mostly engaged in plundering and abusing people.

As a result of clashes around Childara [7-8 km west of Tavildara] 15 soldiers of the regime have been killed. Since the regime took control over some villages of this area, the mujaheddin have stepped up their resistance. A military source of the Islamic Movement of Tajikistan reports that after every attack by the government forces, the mujaheddin carry out retaliations and take back villages out of the [government forces'] control. Three government soldiers have been killed as a result of a wide-scale operation in the Karanak pass.

Tajikistan: Recriminations Hindering Inter-Tajik Negotiations

LD1707172196 Moscow ITAR-TASS in English 1358 GMT 17 Jul 96

[By Anna Kurbanova]

[FBIS Transcribed Text] ASHGABAT, July 17 (Itar-Tass) — Mutual accusations between the Tajik government and rebel delegations hamper the negotiations in Ashgabat. A plenary meeting of the teams was not held this Wednesday [17 July]. The parties are not ready to sit at the negotiation table and only keep in touch with the U.N. special commissioner.

The no-confidence atmosphere was heated up by Tuesday's statement by rebels who accused the government forces of killing more than 50 captives and about 100 civilians in one of the villages of the Tavil-Dara region in air raids on July 9-12. The government denied the information.

The delegations are unlikely to hold a plenary meeting on Thursday either.

Tajikistan: Government Accuses Rebels of Cease-Fire Violations

LD1707133496 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 17 Jul 96

[FBIS Translated Excerpt] Zafar Saydov, press secretary of the president of Tajikistan, held a news conference for domestic and foreign correspondents yesterday at which the stand of the government's negotiating delegation to the Tajik talks was explained regarding putting an end to the conflict.

The government of Tajikistan, said Saydov, considers the Tehran agreement on a temporary cease-fire to be the most important element in ending the conflict, but since January of this year, armed groups of the opposition have repeatedly violated the terms of the aforementioned agreement. [passage omitted]

It should be mentioned that by dispatching small groups across the Tajik-Afghan border to the zones of the future conflicts, recruiting local people to join its groups, and forcing prisoners of war from the government army and mercenaries to take part in military operations, the opposition has been violating the terms of the agreement since August 1995.

These sorts of actions are aimed at separatism and will jeopardize the integrity of the state. The military operations aimed at expanding the area under control, taking control of populated areas, and blocking the Dushanbe-Khorog highway both where it runs close to the border with the Islamic State of Afghanistan and through Vanch District in the Gornyy Badakhshan Autonomous Region [eastern Tajikistan], in addition to the dispatch of men and money to the conflict zone, in effect nullify the importance of the Tehran cease-fire and have forced the Government of Tajikistan to take retaliatory measures. This action by the opposition has caused a large district to endure a long period of economic siege. As a result, the government of the republic has lost the opportunity of sending food and humanitarian assistance to this area. We regard all these actions not just as a violation of the Tehran agreement alone, but we explain them as evidence that the opposition does not want to settle the conflict by political means, by means of talks. [passage omitted]

Taking into account the aforementioned views, the government delegation to the Ashgabat talks proposes that the opposition should move its armed groups back to the positions they held until 28 January, namely, to the left bank of the Ragnov river [northeast of Tavil-Dara town] and the southern sector of Layron village.

1. We believe this step would demonstrate the opposition side's recognition of the Tehran agreement and would be an important means of clearing up the conflict by political means and a means of preventing such violations in future.

2. This step will be a gesture of good will, demonstrating the opposition's intention to continue the talks.

3. Mutual trust will thereby be established between the sides as partners.

The government delegation considers that lack of communication centers and UN military observer posts on the territory of neighboring Afghanistan gave the armed groups of the opposition opportunities to cross the state border without difficulty and to violate the terms of the Teheran agreement.

It should be mentioned that a joint statement by the two sides was approved in Moscow on 26 April 1995. The subject of the monitoring mentioned above was settled positively there. Unfortunately, this resolution has not yet been implemented. This is one of the factors aggravating the present situation.

The government of the Republic of Tajikistan thinks that until constructive ways and means of preventing and stopping violation of the Tehran agreements are identified, it is impossible to believe that the sides will be faithful to their agreements.

That is why, said Zafar Saydov, the withdrawal of the armed groups of the opposition to their previous position, and the identification of ways of preventing and stopping violations of the permanent cease-fire agreement, which is to be signed in the course of the talks, will both strengthen mutual trust and promote as practical settlement of the conflict.

Taking this into account, and with the aim of ensuring the security of the population in the conflict area, we proposed to exchange the maps of mined lands. [passage omitted]

Tajikistan: Opposition Head Rejects Demand To Withdraw From Tavil-Dara

LD1707083896 (Clandestine) Voice of Free Tajikistan in Tajik 0300 GMT 17 Jul 96

[FBIS Translated Text] Professor Sayed Abdullo Nuri, the leader of the Islamic Movement and the united Tajik opposition, has rejected the demand of the communist regime of Dushanbe that the Tajik mojahedin withdraw from Tavil-Dara district.

Speaking in reply to the demand by the ruling regime's negotiating team at the Ashgabat peace talks, Prof. Nuri said the following: Tavil-Dara, like the rest of Tajikistan, is the homeland of the mojahedin and no one can deprive people of their right to come back and live in their homeland.

Prof. Nuri added: Tajik President Emomali Rakhmanov's regime, which does not want to settle the problem of Tajikistan by political means, has put forward this pointless demand after a week of talks and has once more shown its real face to the international world.

Uzbekistan

Uzbekistan: Karimov Stresses Ending Arms Supplies to Afghanistan

LD1507161996 Moscow INTERFAX in English 1531 GMT 15 Jul 96

[FBIS Transcribed Text] MOSCOW, July 15 (Interfax) - Only an end to arms supplies to Afghanistan could make it possible to create pre-conditions for ending combat actions in the country and make the conflicting sides begin talks, Islam Karimov, President of Uzbekistan, told diplomats and journalists in the Uzbek capital of Tashkent.

The text of the president's speech was made available to Interfax.

Karimov said he had already discussed this problem with Afghan President Borhanoddin Rabbani. He said the Afghan president had spoken out in favor of "an embargo concerning all conflicting sides and in favor of strict control over the embargo's implementation."

"There is actually no country that would openly oppose the introduction of an embargo on arms supply to Afghanistan," Karimov said.

Karimov praised the initiative put forward by the U.S. Department of State that "has already put Afghanistan on the list of countries declared as outside the scope of international standards regarding arms supplies."

"Such a decision is equal to the introduction of a unilateral embargo on arms supplies," he said.

The Uzbek president said he wanted the embargo issue to be considered by the U.N. Security Council. "This move would, like litmus paper, show who really wants peace and an end to confrontation in Afghanistan and who is just talking about it," he said.

Uzbekistan: Human Rights Body Views Half-Yearly Results

LD1707211396 Tashkent NARODNOYE SLOVO in Russian 16 Jul 96 p3

[FBIS Translated Text]

Knowledge of Rights Will Guarantee Their Protection

A sitting of the commission observing citizens' constitutional rights and freedoms under the human rights commissioner in Parliament has summed up the results of work carried out in the first half of the year.

The range of issues on the agenda and the detailed reports from members of the commission shows how important the measures carried out over the recent period are. Over the recent period alone, Uzbekistan has joined 20 international conventions linked with human rights in one way or another. In a short period of time, we have not only had to thoroughly examine basic documents adopted in the world community in light of existing laws in the Republic, but also to introduce our proposals for their ratification to committees of the supreme power and oversee their general implementation.

In particular, much work has been carried out by members of the commission to fulfil the international pact on civil and political rights dated 16 December 1966, the convention against torture and other cruel, inhuman or humiliating treatment or punishment of 10 December 1994, as well as the international pact on economic, social, and cultural rights of 16 December 1966.

You see, most citizens' appeals to the human rights commissioner have to do with the law enforcement and judicial bodies, labor disputes, and housing problems. To ensure strict observance of civil rights and freedoms, an efficient mechanism for observing execution of laws is needed. This can be developed with the participation of all sides concerned. However, the commission has received vague replies to its queries from the ministries it approached. They have said that their departments have acquainted themselves with the regulations of the said conventions and pacts and are trying to follow them. Only the republic's prosecutor's office it seems has admitted cases of illegal arrests, custody, or trial, but has said that every case has been considered and those guilty dismissed from the law enforcement bodies.

However, there is some discrepancy between the optimistic assurances of certain responsible officials that they are carrying out their duties strictly and the flood of complaints addressed to the human rights commissioner in parliament. The fact that their number is steadily growing (this year alone the commission has registered 260 appeals) is eloquent proof that people have been given bureaucratic, callous, indifferent treatment, though many cases were not so complicated that they could not be settled in the localities. People should simply have been told what to do in one or another case, especially since this is clearly defined in such laws in the republic as "On citizens' appeals", of 6 May 1994, and "On appeals to court against actions and decisions violating civil rights and freedoms", of 30 August 1995.

On the one hand, ordinary citizens lack knowledge of their rights, and on the other, the people responsible cannot be bothered to make the effort, or lack the basic competence, which means the state funds spent on checking endless complaints are wasted.

The commission observing constitutional rights and freedoms under the human rights commissioner in parliament is now responsible for the issue of legal culture in the republic. With this in view, seminars with the participation of the United Nations are being planned to clarify the rules of international conventions aimed at protecting citizens' interests, and to comment on existing laws in our republic. The topic of the first one, planned for September this year, is quite relevant. It will be held under the title: "Knowledge of rights will guarantee their protection."

Armenia

Armenia: Ter-Petrosyan Outlines Priorities for Coming Period

LD1707211596 Moscow INTERFAX in English 1623 GMT 17 Jul 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Levon Ter-Petrosyan says if re-elected, his main priority will be to maintain internal peace and stability in the next five years.

"Peace and stability will by all means yield good fruit regardless of who becomes president in 2000," Petrosyan told a congress of the influential women's group, Shamiram, backing his candidacy, in Yerevan on Wednesday [17 July].

The country's presidential poll is due on September 22.

IF Note: Petrosyan will seek re-election as a presidential candidate of the ruling Pan-Armenian Movement party. He is also supported by the Republicans, Christian Democrats, Social Democrats and Liberal Democrats as well as Agrarians and the Union of Industrialists and Entrepreneurs.

Petrosyan made it clear that unlike others, he was not laying excessive hopes on presidential elections. He expressed wishes that the poll would be held as routine business and in the event of any changeover, there was a change for the better.

"The role of presidents is to come down in history textbooks and become ordinary elements of life afterwards," he said jestingly and added that he wished that the presidential poll would not become an historic event.

Although the president agreed that widespread expectations were laid on him because of the transition period in the country's life.

But he warned the nation against seeking a savior.

Petrosyan said there were powerful kings and warriors in the Armenian history, but each of them play his own role as best as he could.

He considers Mesrop Mashtoz, the founder of Armenian literature, to be the only savior of Armenia.

Petrosyan said as president, he had never claimed for the role of miracle maker, but held out promises of not repeating the mistakes he made in the past if re-elected.

But he also promised no sudden changes in the country's life.

The president outlined several main tasks still to be resolved, including Karabakh as well as welfare, education and cultural areas. He is hopeful that a solution to the Karabakh problem could help resolve other issues.

Petrosyan called for the development of Armenia as a state and consolidating its independence.

"The Armenians have not yet become a full master of their entire territory," he said adding that this was an overriding priority for this generation.

"No one can call Armenia as not being a serious country," Petrosyan said calling this one of the main achievements of an independent Armenia.

In spite of hardships of the first stage of Armenian independence, he said, the country has been saved the trouble of famine, epidemics and civil war, but these lie ahead unless the Armenians become master of their own land.

Armenia: Prime Minister Signs Decree on Return of Emigres

NC1707163296 Yerevan NOYAN TAPAN in English 1317 GMT 17 Jul 96

[FBIS Transcribed Text] Yerevan, July 17 (Noyan Tapan) — Armenia's Prime Minister Grant Bagratyan signed a decree regarding return of Armenian citizens who migrated from Armenia to distant abroad in 1992-1994 and who have no means to pay costs to return to Armenia.

Following the decree, special commissions will be set up with the Armenian diplomatic missions abroad. The commissions will be headed by Ambassadors, who will determine the number of citizens who decided to return to Armenia. All travel costs will be covered out of missions' budgets. The costs will be further compensated for out of the state reserve fund.

Armenia: Azerbaijanis Reportedly Shell Positions 16 Jul

NC1707120696 Yerevan SNARK in English 1140 GMT 17 Jul 96

[FBIS Transcribed Text] Yerevan, July 17 (SNARK)—Another incident was recorded on the July 16 evening along the north-eastern area of the Armeno-Azeri border.

The Press Office of the Armenian Defense Ministry informed SNARK that for two hours the Azeris shelled the defense positions of the villages of Chambarak and Vahan, Gegharqunik region. There were no records on casualties. The Armenian Armed Units compelled the enemy to stop firing.

Other incidents along Armenia's border with Azerbaijan were not recorded.

Georgia

Georgia: Shevardnadze Meets With Russians on Transcaucasus Highway

MK1707140596 Moscow NEZAVISIMAYA GAZETA in Russian 17 Jul 96 p 3

[NEGA report]

[FBIS Translated Text] Georgia President Eduard Shevardnadze met with Academician Anatoliy Savin, general director of the Russian Federation Defense Committee "Kometa" association; and Professor Mikhail Zakson, chairman of the "Kosmos-5" international association board of directors and "Kometa" association chief consultant. Aspects of the creation and running of a "Zerkalo KS" space communication technological system for the Transcaucasus highway were discussed in the course of the meeting. Russia and Georgia offer their services in creating modern communications systems for Black Sea countries and states interested in using the Eurasian corridor infrastructure in the future. Under the project proposed by Anatoliy Savin and Mikhail Zakson, and in accordance with a plan drawn up by Georgia's Ministry of Transport, Russian and Georgian specialists are getting ready to start on the construction of a switch for the Eurasian transport corridor united control facility that would guarantee smooth communication with all vehicles inside this corridor.

Georgia: Shevardnadze Comments on New Russian Defense Minister

LD1807115096 Moscow INTERFAX in English 1107 GMT 18 Jul 96

[FBIS Transcribed Text] TBILISI, July 18 (Interfax) — Generals fulfill the orders of the supreme authorities — that is how it was in Afghanistan and how it was in Tbilisi, Georgian President Eduard Shevardnadze said at a session of the country's Security Council on Thursday [18 July] when asked to comment on the appointment of Col. Gen. Igor Rodionov as Russian defense minister.

Rodionov was commander of the Transcaucasian Military District during the disbandment of a meeting by Soviet forces in Tbilisi on April 9, 1989, an operation which led to civilian deaths and injuries.

"Those who adopt decisions [illegible] issue orders must face the trial of history," presidential press secretary Vakhtang Abashidze quoted Sheverdnadze as saying.

Rodionov "must support the course for which Russians voted on July 3," he said.

Georgia: Official—New Russian Defense Chief Not To Change Relations

LD1807082796 Moscow INTERFAX in English 0737 GMT 18 Jul 96

[FBIS Transcribed Text] TBILISI, July 18 (Interfax) — The appointment of Col. Gen. Igor Rodionov as Russian defense minister will not change relations between Russia and Georgia, Chairman of the parliamentary Foreign Relations Committee Kakha Chitaya told journalists in Tbilisi.

The appointment "cannot influence Russian-Georgian relations because the national interests of the two countries enjoy priority," he said.

"It is psychologically difficult to comprehend the appointment of Rodionov, who commanded the operation to disband a meeting near the House of Government [in Tbilisi] when he was commander of the Transcaucasian military district," said Chitaya, a participant of the April 9, 1989, events in Tbilisi, when Georgian protesters were disbanded with the use of force by Russian troops, leading to deaths and injuries. However, he said, "Rodionov was fulfilling the order of the supreme Kremlin leadership."

Georgia: Tbilisi Not To Demand Extension of Peacekeepers' Mandate

LD1807122496 Moscow INTERFAX in English 1119 GMT 18 Jul 96

[FBIS Transcribed Text] TBILISI, July 18 (Interfax) — Georgia will not demand today that the mandate of the CIS joint peacekeeping forces be extended, Vakhtang Abashidze, Georgian presidential press spokesman, told Interfax on Thursday [18 July].

This decision was made by the Georgian Security Council on July 18, he said.

The mandate of the CIS peacekeepers in the zone of the Georgian-Abkhazian conflict expires on July 19.

However, if Georgia's demand that the peacekeepers' powers be changed is met, Georgia will raise this issue at the CIS summit planned for August 19, he said.

The Georgian Security Council determined four points that need to be taken into particular consideration during the consultations on Abkhazian settlement that are now under way in Moscow, Abashidze told a briefing in Tbilisi on Thursday.

These points include expanding the peacekeeping operation throughout entire Abkhazia, ensuring the safe return of refugees home by creating special outposts of peacekeepers, ensuring the security of U.N. military observers in the same fashion, and clearing mines and destroying fortifications in Abkhazia.

The issue of the peacekeeping forces will be finally clarified after the talks in Moscow are completed, Abashidze said, adding that the talks might last for another two days.

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